



**MACON COUNTY, MISSOURI  
YEARS ENDED DECEMBER 31, 2003 AND 2002**

**From The Office Of State Auditor  
Claire McCaskill**

**Report No. 2004-63  
August 30, 2004  
[www.auditor.mo.gov](http://www.auditor.mo.gov)**

# AUDIT REPORT



Office Of The  
State Auditor Of Missouri  
Claire McCaskill

August 2004

**IMPORTANT: The Missouri State Auditor is required by state law to conduct audits once every 4 years in counties, like Macon, that do not have a county auditor. In addition to a financial and compliance audit of various county operating funds, the State Auditor's statutory audit covers additional areas of county operations, as well as the elected county officials, as required by Missouri's Constitution.**

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This audit of Macon County included additional areas of county operations, as well as the elected county officials. The following concerns were noted as part of the audit:

- The county's schedule of expenditures of federal awards, which includes health center programs, contained numerous errors and omissions. Five grants were omitted for one or both of the years ended December 31, 2003 and 2002. Omitted expenditures totaled approximately \$42,000 and \$60,000, respectively. In addition, ten grants were misstated by a total of approximately \$135,000 and \$125,000 for the years ended December 31, 2003 and 2002, respectively.
- The county has not conducted a formal analysis of the factors involved when selecting from which quarry to purchase rock, including cost per mile per ton for hauling, size, and quality and cost of rock. The county paid approximately \$140,000, \$52,000, and \$161,000 to three respective quarries during the year ended December 31, 2003.
- The county has not adequately followed-up on the mid-term salary increases of approximately \$7,580 given to the Associate Commissioners in 1999. On May 15, 2001, the Missouri Supreme Court handed down an opinion that challenged the validity of Section 50.333.13, RSMo, which allowed county salary commissions in 1997 to provide mid-term salary increases for associate county commissioners. The Supreme Court held this section of law violated Article VII, Section 13 of the Missouri Constitution, which specifically prohibits an increase in compensation for state, county and municipal officers during the term of office. The County Commission In June 2001, the county sent each of the prior Associate Commissioners a letter requesting payment of \$16,320 for the salary overpayment plus social security benefits. However, a response was not received and no additional action has been taken.
- The Prosecuting Attorney frequently reduces charges filed on traffic tickets by requiring the defendants to make a "donation" to the General Revenue Fund as a condition of reducing the charges. The Prosecuting Attorney disagrees that there

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is a "requirement" that anyone donate to the General Revenue Fund, but noted that he does consider amending speeding tickets when a donation is made. There appears to be no authority for this practice. In addition, the "donations" are credited to the General Revenue Fund rather than the School Fund. A bad check log and a summary listing of court ordered restitution was not maintained, receipts were not always deposited or transmitted timely, and there were several old outstanding checks.

- Expenditures exceeded budgeted amounts of the Health Center Fund by \$17,640 for the year ended December 31, 2003. Program costs were not adequately tracked for the Comprehensive Family Program during the period March 2002 through December 2002. Health Center Board minutes are not signed and a \$300 expenditure to purchase gift certificates as Christmas gifts to health center employees was authorized. Finally, the Health Center does not have a policy for recording and maintaining general fixed assets.
- During the audit period, expenditures to a small engine repair business owned by the Presiding commissioner totaled approximately \$1,200 annually. According to the Presiding Commissioner, he abstains from voting when his business is a party to the transaction; however, state law prohibits and county commissioner from doing business with the county.
- Some annual settlements are not filed in a timely manner by the Public Administrator. In addition, one settlement filed covered a three year period.

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MACON COUNTY, MISSOURI

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## FINANCIAL SECTION

## State Auditor's Reports



**CLAIRE C. McCASKILL**  
**Missouri State Auditor**

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL  
STATEMENTS AND SUPPLEMENTARY SCHEDULE OF  
EXPENDITURES OF FEDERAL AWARDS**

To the County Commission  
and  
Officeholders of Macon County, Missouri

We have audited the accompanying Statements of Receipts, Disbursements, and Changes in Cash - Various Funds and Comparative Statement of Receipts, Disbursements, and Changes in Cash - Budget and Actual - Various Funds of Macon County, Missouri, as of and for the years ended December 31, 2003 and 2002. These financial statements are the responsibility of the county's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note 1 to the financial statements, these financial statements were prepared on the cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the receipts, disbursements, and changes in cash of various funds of Macon County, Missouri, and comparisons of such information with the corresponding budgeted information for various funds of the county as of and for the years ended December 31, 2003 and 2002, on the basis of accounting discussed in Note 1.



In accordance with *Government Auditing Standards*, we also have issued our report dated March 25, 2004, on our consideration of the county's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the financial statements, taken as a whole that are referred to in the first paragraph. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

The accompanying History, Organization, and Statistical Information is presented for informational purposes. This information was obtained from the management of Macon County, Missouri, and was not subjected to the auditing procedures applied in the audit of the financial statements referred to above. Accordingly, we express no opinion on the information.



Claire McCaskill  
State Auditor

March 25, 2004 (fieldwork completion date)

The following auditors participated in the preparation of this report:

|                     |                          |
|---------------------|--------------------------|
| Director of Audits: | Thomas J. Kremer, CPA    |
| Audit Manager:      | Peggy Schler, CPA        |
| In-Charge Auditor:  | Lonnie Breeding III, CPA |
| Audit Staff:        | Kelly Petree             |
|                     | Gary Raines              |
|                     | Sara Bull                |



**CLAIRE C. McCASKILL**  
**Missouri State Auditor**

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE  
AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the County Commission  
and  
Officeholders of Macon County, Missouri

We have audited the financial statements of various funds of Macon County, Missouri, as of and for the years ended December 31, 2003 and 2002, and have issued our report thereon dated March 25, 2004. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the financial statements of various funds of Macon County, Missouri, are free of material misstatement, we performed tests of the county's compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*. However, we noted certain immaterial instances of noncompliance which are described in the accompanying Management Advisory Report.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements of various funds of Macon County, Missouri, we considered the county's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our

consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting which are described in the accompanying Management Advisory Report.

This report is intended for the information and use of the management of Macon County, Missouri; federal awarding agencies and pass-through entities; and other applicable government officials. However, pursuant to Section 29.270, RSMo 2000, this report is a matter of public record and its distribution is not limited.

A handwritten signature in black ink, reading "Claire McCaskill". The signature is fluid and cursive, with the first name "Claire" and last name "McCaskill" clearly distinguishable.

Claire McCaskill  
State Auditor

March 25, 2004 (fieldwork completion date)

## Financial Statements

Exhibit A-1

MACON COUNTY, MISSOURI  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - VARIOUS FUNDS  
YEAR ENDED DECEMBER 31, 2003

| Fund                                | Cash,<br>January 1 | Receipts  | Disbursements | Cash,<br>December 31 |
|-------------------------------------|--------------------|-----------|---------------|----------------------|
| General Revenue                     | \$ 153,152         | 1,528,053 | 1,555,224     | 125,981              |
| Special Road and Bridge             | 327,296            | 1,397,908 | 1,574,648     | 150,556              |
| Assessment                          | 1,354              | 170,359   | 171,668       | 45                   |
| Law Enforcement Training            | 28,881             | 5,222     | 5,928         | 28,175               |
| Prosecuting Attorney Training       | 451                | 876       | 651           | 676                  |
| Road & Bridge Capital Improvement   | 240,121            | 1,498,580 | 1,453,073     | 285,628              |
| Recorder's User Fees                | 17,716             | 8,658     | 6,102         | 20,272               |
| Prosecuting Attorney Delinquent Tax | 1,131              | 155       | 1,000         | 286                  |
| DARE                                | 5,202              | 90        | 0             | 5,292                |
| Prosecuting Attorney Bad Check      | 14,232             | 23,267    | 23,440        | 14,059               |
| Victims of Domestic Violence        | 2,082              | 661       | 0             | 2,743                |
| Sheriff Civil Fees                  | 12,510             | 33,619    | 41,173        | 4,956                |
| Circuit Clerk Sound Recording Fees  | 815                | 1,435     | 495           | 1,755                |
| Election Services                   | 3,624              | 878       | 3,321         | 1,181                |
| Law Enforcement                     | 1,005              | 68        | 0             | 1,073                |
| Recorder's Technology               | 2,665              | 5,091     | 5,860         | 1,896                |
| Local Emergency Planning Committee  | 6,393              | 10,464    | 8,434         | 8,423                |
| County Park                         | 47,642             | 22,645    | 32,573        | 37,714               |
| Collector Tax Maintenance           | 388                | 12,290    | 6,743         | 5,935                |
| County Park Capital Improvement     | 0                  | 356,067   | 347,508       | 8,559                |
| Law Library                         | 10,302             | 7,805     | 6,097         | 12,010               |
| Parent Education                    | 2,433              | 2,052     | 4,483         | 2                    |
| Circuit Clerk Interest              | 10,933             | 2,362     | 7,656         | 5,639                |
| Associate Circuit Court Interest    | 1,402              | 531       | 634           | 1,299                |
| Health Center                       | 209,833            | 478,501   | 460,700       | 227,634              |
| Enhanced 911 Board                  | 159,262            | 465,020   | 458,637       | 165,645              |
| Senate Bill 40 Board                | 78,991             | 146,936   | 137,559       | 88,368               |
| Cemetery Trust                      | 10,200             | 172       | 278           | 10,094               |
| Total                               | \$ 1,350,016       | 6,179,765 | 6,313,885     | 1,215,896            |

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit A-2

MACON COUNTY, MISSOURI  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - VARIOUS FUNDS  
YEAR ENDED DECEMBER 31, 2002

| Fund                                | Cash,<br>January 1 | Receipts  | Disbursements | Cash,<br>December 31 |
|-------------------------------------|--------------------|-----------|---------------|----------------------|
| General Revenue                     | \$ 176,011         | 1,528,216 | 1,551,075     | 153,152              |
| Special Road and Bridge             | 304,672            | 1,462,914 | 1,440,290     | 327,296              |
| Assessment                          | 15                 | 166,146   | 164,807       | 1,354                |
| Law Enforcement Training            | 29,170             | 6,349     | 6,638         | 28,881               |
| Prosecuting Attorney Training       | 304                | 1,067     | 920           | 451                  |
| Road & Bridge Capital Improvement   | 297,914            | 971,675   | 1,029,468     | 240,121              |
| Recorder's User Fees                | 11,008             | 8,083     | 1,375         | 17,716               |
| Prosecuting Attorney Delinquent Tax | 850                | 281       | 0             | 1,131                |
| DARE                                | 5,223              | 138       | 159           | 5,202                |
| Community Development Block Grant   | 0                  | 950       | 950           | 0                    |
| Prosecuting Attorney Bad Check      | 17,441             | 22,440    | 25,649        | 14,232               |
| Victims of Domestic Violence        | 1,441              | 641       | 0             | 2,082                |
| Sheriff Civil Fees                  | 15,701             | 28,515    | 31,706        | 12,510               |
| Circuit Clerk Sound Recording Fees  | 1,927              | 1,594     | 2,706         | 815                  |
| Election Services                   | 4,199              | 4,009     | 4,584         | 3,624                |
| Law Enforcement                     | 0                  | 1,005     | 0             | 1,005                |
| Recorder's Technology               | 1,828              | 4,711     | 3,874         | 2,665                |
| Local Emergency Planning Committee  | 5,317              | 5,996     | 4,920         | 6,393                |
| County Park                         | 55,139             | 27,868    | 35,365        | 47,642               |
| Collector Tax Maintenance           | 0                  | 1,075     | 687           | 388                  |
| Law Library                         | 11,884             | 6,926     | 8,508         | 10,302               |
| Parent Education                    | 1,657              | 2,976     | 2,200         | 2,433                |
| Circuit Clerk Interest              | 14,590             | 4,717     | 8,374         | 10,933               |
| Associate Circuit Court Interest    | 760                | 1,171     | 529           | 1,402                |
| Health Center                       | 201,696            | 467,768   | 459,631       | 209,833              |
| Enhanced 911 Board                  | 159,381            | 461,930   | 462,049       | 159,262              |
| Senate Bill 40 Board                | 92,891             | 140,421   | 154,321       | 78,991               |
| Cemetery Trust                      | 10,407             | 349       | 556           | 10,200               |
| Total                               | \$ 1,421,426       | 5,329,931 | 5,401,341     | 1,350,016            |

The accompanying Notes to the Financial Statements are an integral part of this statement.

## Exhibit B

## MACON COUNTY, MISSOURI

## COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - VARIOUS FUND

| Year Ended December 31,             |              |  |           |           |  |             |
|-------------------------------------|--------------|--|-----------|-----------|--|-------------|
| 2003                                |              |  | 2002      |           |  |             |
| Budget                              | Actual       | Variance<br>Favorable<br>(Unfavorable) | Budget    | Actual    | Variance<br>Favorable<br>(Unfavorable) |             |
| <b>TOTALS - VARIOUS FUNDS</b>       |              |  |           |           |  |             |
| RECEIPTS                            | \$ 6,328,465 | 6,179,593                              | (148,872) | 5,527,750 | 5,328,577                              | (199,173)   |
| DISBURSEMENTS                       | 7,123,470    | 6,313,607                              | 809,863   | 6,375,648 | 5,400,785                              | 974,863     |
| RECEIPTS OVER (UNDER) DISBURSEMENTS | (795,005)    | (134,014)                              | (958,735) | (847,898) | (72,208)                               | (1,174,036) |
| CASH, JANUARY 1                     | 1,341,384    | 1,339,816                              | (1,568)   | 1,411,019 | 1,411,019                              | 0           |
| CASH, DECEMBER 31                   | 546,379      | 1,205,802                              | 659,423   | 563,121   | 1,338,811                              | 775,690     |
| <b>GENERAL REVENUE FUND</b>         |              |  |           |           |  |             |
| RECEIPTS                            |              |  |           |           |  |             |
| Property taxes                      | 320,250      | 356,465                                | 36,215    | 284,000   | 311,118                                | 27,118      |
| Sales taxes                         | 590,000      | 602,392                                | 12,392    | 550,000   | 596,079                                | 46,079      |
| Intergovernmental                   | 143,787      | 159,574                                | 15,787    | 207,949   | 206,908                                | (1,041)     |
| Charges for services                | 289,800      | 294,689                                | 4,889     | 254,815   | 282,684                                | 27,869      |
| Interest                            | 8,000        | 6,687                                  | (1,313)   | 14,000    | 11,081                                 | (2,919)     |
| Other                               | 68,850       | 63,246                                 | (5,604)   | 64,600    | 75,346                                 | 10,746      |
| Transfers in                        | 45,000       | 45,000                                 | 0         | 45,000    | 45,000                                 | 0           |
| Total Receipts                      | 1,465,687    | 1,528,053                              | 62,366    | 1,420,364 | 1,528,216                              | 107,852     |
| DISBURSEMENTS                       |              |  |           |           |  |             |
| County Commission                   | 87,100       | 86,961                                 | 139       | 87,650    | 86,350                                 | 1,300       |
| County Clerk                        | 74,621       | 74,454                                 | 167       | 73,545    | 73,359                                 | 186         |
| Elections                           | 18,555       | 16,127                                 | 2,428     | 43,633    | 40,564                                 | 3,069       |
| Buildings and ground:               | 100,047      | 85,418                                 | 14,629    | 89,527    | 85,073                                 | 4,454       |
| Employee fringe benefit:            | 226,669      | 208,035                                | 18,634    | 209,992   | 203,239                                | 6,753       |
| County Treasurer                    | 41,779       | 41,965                                 | (186)     | 30,885    | 30,428                                 | 457         |
| County Collector                    | 65,101       | 64,428                                 | 673       | 67,901    | 67,406                                 | 495         |
| Ex Officio Recorder of Deeds        | 29,816       | 28,161                                 | 1,655     | 30,592    | 25,806                                 | 4,786       |
| Circuit Clerk                       | 8,300        | 7,470                                  | 830       | 8,071     | 8,509                                  | (438)       |
| Associate Circuit Court             | 7,100        | 6,237                                  | 863       | 6,600     | 5,841                                  | 759         |
| Court administrator                 | 37,636       | 21,122                                 | 16,514    | 4,400     | 5,586                                  | (1,186)     |
| Public Administrator                | 40,865       | 40,865                                 | 0         | 40,915    | 40,715                                 | 200         |
| Sheriff                             | 368,102      | 356,131                                | 11,971    | 365,557   | 355,426                                | 10,131      |
| Jail                                | 114,200      | 149,041                                | (34,841)  | 117,169   | 174,846                                | (57,677)    |
| Prosecuting Attorney                | 105,236      | 104,351                                | 885       | 102,696   | 108,094                                | (5,398)     |
| Juvenile Officer                    | 61,731       | 72,828                                 | (11,097)  | 66,024    | 60,401                                 | 5,623       |
| County Coroner                      | 14,875       | 14,467                                 | 408       | 16,435    | 15,888                                 | 547         |
| Data processing                     | 14,798       | 9,862                                  | 4,936     | 19,317    | 18,641                                 | 676         |
| Health Insurance Premium            | 13,700       | 11,061                                 | 2,639     | 14,000    | 17,195                                 | (3,195)     |
| Public health and welfare service:  | 15,000       | 20,703                                 | (5,703)   | 5,000     | 11,804                                 | (6,804)     |
| Economic development                | 12,000       | 12,000                                 | 0         | 15,000    | 15,000                                 | 0           |
| Insurance (property/liability)      | 33,000       | 51,694                                 | (18,694)  | 29,000    | 22,570                                 | 6,430       |
| University extension service:       | 33,000       | 33,000                                 | 0         | 36,000    | 36,000                                 | 0           |
| Postage meter                       | 19,400       | 20,756                                 | (1,356)   | 22,000    | 19,317                                 | 2,683       |
| Other                               | 12,880       | 10,737                                 | 2,143     | 24,530    | 23,017                                 | 1,513       |
| Transfers out                       | 18,739       | 7,350                                  | 11,389    | 11,732    | 0                                      | 11,732      |
| Emergency Fund                      | 43,971       | 0                                      | 43,971    | 42,611    | 0                                      | 42,611      |
| Total Disbursements                 | 1,618,221    | 1,555,224                              | 62,997    | 1,580,782 | 1,551,075                              | 29,707      |
| RECEIPTS OVER (UNDER) DISBURSEMENTS | (152,534)    | (27,171)                               | 125,363   | (160,418) | (22,859)                               | 137,559     |
| CASH, JANUARY 1                     | 153,152      | 153,152                                | 0         | 176,011   | 176,011                                | 0           |
| CASH, DECEMBER 31                   | 618          | 125,981                                | 125,363   | 15,593    | 153,152                                | 137,559     |

## Exhibit B

## MACON COUNTY, MISSOURI

## COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - VARIOUS FUND

|  | Year Ended December 31, |           |  |           |           |  |
|--|-------------------------|-----------|--|-----------|-----------|--|
|  | 2003                    |           |  | 2002      |           |  |
|  | Budget                  | Actual    | Variance<br>Favorable<br>(Unfavorable) | Budget    | Actual    | Variance<br>Favorable<br>(Unfavorable) |
| <b><u>SPECIAL ROAD AND BRIDGE FUND</u></b> |                         |           |  |           |           |  |
| <b>RECEIPTS</b>                            |                         |           |  |           |           |  |
| Property taxes                             | 498,000                 | 520,759   | 22,759                                 | 465,000   | 496,468   | 31,468                                 |
| Intergovernmental                          | 869,458                 | 844,536   | (24,922)                               | 847,460   | 928,695   | 81,235                                 |
| Charge for service                         | 18,000                  | 19,053    | 1,053                                  | 17,000    | 19,064    | 2,064                                  |
| Interest                                   | 14,000                  | 8,377     | (5,623)                                | 18,000    | 14,874    | (3,126)                                |
| Other                                      | 6,000                   | 3,259     | (2,741)                                | 3,000     | 2,834     | (166)                                  |
| Transfers in                               | 1,000                   | 1,924     | 924                                    | 1,000     | 979       | (21)                                   |
| Total Receipts                             | 1,406,458               | 1,397,908 | (8,550)                                | 1,351,460 | 1,462,914 | 111,454                                |
| <b>DISBURSEMENTS</b>                       |                         |           |  |           |           |  |
| Salaries                                   | 555,000                 | 544,318   | 10,682                                 | 526,585   | 528,893   | (2,308)                                |
| Employee fringe benefit                    | 195,095                 | 183,854   | 11,241                                 | 177,506   | 177,150   | 356                                    |
| Supplies                                   | 203,000                 | 201,837   | 1,163                                  | 214,000   | 180,061   | 33,939                                 |
| Insurance                                  | 48,000                  | 53,923    | (5,923)                                | 26,000    | 10,418    | 15,582                                 |
| Road and bridge materials                  | 41,000                  | 75,948    | (34,948)                               | 0         | 26,036    | (26,036)                               |
| Equipment repairs                          | 90,000                  | 98,171    | (8,171)                                | 90,000    | 78,313    | 11,687                                 |
| Rentals                                    | 151,500                 | 9,046     | 142,454                                | 91,000    | 19,299    | 71,701                                 |
| Equipment purchase                         | 25,000                  | 12,267    | 12,733                                 | 50,000    | 16,530    | 33,470                                 |
| Construction, repair, and maintenance      | 343,000                 | 323,593   | 19,407                                 | 313,000   | 336,014   | (23,014)                               |
| Other                                      | 33,000                  | 26,691    | 6,309                                  | 56,800    | 22,576    | 34,224                                 |
| Transfers out                              | 45,000                  | 45,000    | 0                                      | 45,000    | 45,000    | 0                                      |
| Total Disbursements                        | 1,729,595               | 1,574,648 | 154,947                                | 1,589,891 | 1,440,290 | 149,601                                |
| RECEIPTS OVER (UNDER) DISBURSEMENTS        | (323,137)               | (176,740) | 146,397                                | (238,431) | 22,624    | 261,055                                |
| CASH, JANUARY 1                            | 327,296                 | 327,296   | 0                                      | 304,672   | 304,672   | 0                                      |
| CASH, DECEMBER 31                          | 4,159                   | 150,556   | 146,397                                | 66,241    | 327,296   | 261,055                                |
| <b><u>ASSESSMENT FUND</u></b>              |                         |           |  |           |           |  |
| <b>RECEIPTS</b>                            |                         |           |  |           |           |  |
| Intergovernmental                          | 156,522                 | 161,103   | 4,581                                  | 157,962   | 163,606   | 5,644                                  |
| Interest                                   | 500                     | 544       | 44                                     | 1,500     | 1,030     | (470)                                  |
| Other                                      | 1,400                   | 1,362     | (38)                                   | 1,750     | 1,510     | (240)                                  |
| Transfers in                               | 18,739                  | 7,350     | (11,389)                               | 11,732    | 0         | (11,732)                               |
| Total Receipts                             | 177,161                 | 170,359   | (6,802)                                | 172,944   | 166,146   | (6,798)                                |
| <b>DISBURSEMENTS</b>                       |                         |           |  |           |           |  |
| Assessor                                   | 178,515                 | 171,668   | 6,847                                  | 172,959   | 164,807   | 8,152                                  |
| Total Disbursements                        | 178,515                 | 171,668   | 6,847                                  | 172,959   | 164,807   | 8,152                                  |
| RECEIPTS OVER (UNDER) DISBURSEMENTS        | (1,354)                 | (1,309)   | 45                                     | (15)      | 1,339     | 1,354                                  |
| CASH, JANUARY 1                            | 1,354                   | 1,354     | 0                                      | 15        | 15        | 0                                      |
| CASH, DECEMBER 31                          | 0                       | 45        | 45                                     | 0         | 1,354     | 1,354                                  |



## Exhibit B

## MACON COUNTY, MISSOURI

## COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - VARIOUS FUND

|  | Year Ended December 31, |           |  |           |           |  |
|--|-------------------------|-----------|--|-----------|-----------|--|
|  | 2003                    |           |  | 2002      |           |  |
|  | Budget                  | Actual    | Variance<br>Favorable<br>(Unfavorable) | Budget    | Actual    | Variance<br>Favorable<br>(Unfavorable) |
| <b><u>LAW ENFORCEMENT TRAINING FUND</u></b>              |                         |           |  |           |           |  |
| RECEIPTS   |                         |           |  |           |           |  |
| Intergovernmental  | 2,000                   | 1,742     | (258)                                  | 2,000     | 2,097     | 97                                     |
| Charges for service:                                     | 4,000                   | 3,480     | (520)                                  | 4,500     | 4,252     | (248)                                  |
| Total Receipts   | 6,000                   | 5,222     | (778)                                  | 6,500     | 6,349     | (151)                                  |
| DISBURSEMENTS  |                         |           |  |           |           |  |
| Sheriff  | 25,500                  | 5,928     | 19,572                                 | 20,000    | 6,638     | 13,362                                 |
| Total Disbursement:                                      | 25,500                  | 5,928     | 19,572                                 | 20,000    | 6,638     | 13,362                                 |
| RECEIPTS OVER (UNDER) DISBURSEMENTS                      | (19,500)                | (706)     | 18,794                                 | (13,500)  | (289)     | 13,211                                 |
| CASH, JANUARY 1  | 28,881                  | 28,881    | 0                                      | 29,170    | 29,170    | 0                                      |
| CASH, DECEMBER 31  | 9,381                   | 28,175    | 18,794                                 | 15,670    | 28,881    | 13,211                                 |
| <b><u>PROSECUTING ATTORNEY TRAINING FUND</u></b>         |                         |           |  |           |           |  |
| RECEIPTS   |                         |           |  |           |           |  |
| Charges for service:                                     | 1,000                   | 876       | (124)                                  | 1,000     | 1,067     | 67                                     |
| Total Receipts   | 1,000                   | 876       | (124)                                  | 1,000     | 1,067     | 67                                     |
| DISBURSEMENTS  |                         |           |  |           |           |  |
| Prosecuting Attorney                                     | 1,000                   | 651       | 349                                    | 1,000     | 920       | 80                                     |
| Total Disbursement:                                      | 1,000                   | 651       | 349                                    | 1,000     | 920       | 80                                     |
| RECEIPTS OVER (UNDER) DISBURSEMENTS                      | 0                       | 225       | 225                                    | 0         | 147       | 147                                    |
| CASH, JANUARY 1  | 451                     | 451       | 0                                      | 304       | 304       | 0                                      |
| CASH, DECEMBER 31  | 451                     | 676       | 225                                    | 304       | 451       | 147                                    |
| <b><u>ROAD &amp; BRIDGE CAPITAL IMPROVEMENT FUND</u></b> |                         |           |  |           |           |  |
| RECEIPTS   |                         |           |  |           |           |  |
| Sales taxes  | 590,000                 | 602,385   | 12,385                                 | 550,000   | 595,671   | 45,671                                 |
| Intergovernmental  | 1,046,524               | 873,889   | (172,635)                              | 870,000   | 367,613   | (502,387)                              |
| Interest   | 6,000                   | 7,955     | 1,955                                  | 12,000    | 8,391     | (3,609)                                |
| Other  | 0                       | 14,351    | 14,351                                 | 0         | 0         | 0                                      |
| Total Receipts   | 1,642,524               | 1,498,580 | (143,944)                              | 1,432,000 | 971,675   | (460,325)                              |
| DISBURSEMENTS  |                         |           |  |           |           |  |
| Equipment  | 230,000                 | 144,698   | 85,302                                 | 340,000   | 166,266   | 173,734                                |
| Materials  | 259,000                 | 155,984   | 103,016                                | 288,500   | 193,900   | 94,600                                 |
| Federal bridge projects                                  | 1,209,500               | 1,096,139 | 113,361                                | 1,000,000 | 613,606   | 386,394                                |
| Special road districts                                   | 49,200                  | 49,929    | (729)                                  | 45,000    | 48,787    | (3,787)                                |
| Contract bridges   | 45,000                  | 0         | 45,000                                 | 35,000    | 2,351     | 32,649                                 |
| Custom work  | 70,000                  | 0         | 70,000                                 | 5,000     | 0         | 5,000                                  |
| Supplies   | 6,000                   | 6,323     | (323)                                  | 6,000     | 4,558     | 1,442                                  |
| Total Disbursement:                                      | 1,868,700               | 1,453,073 | 415,627                                | 1,719,500 | 1,029,468 | 690,032                                |
| RECEIPTS OVER (UNDER) DISBURSEMENTS                      | (226,176)               | 45,507    | 271,683                                | (287,500) | (57,793)  | 229,707                                |
| CASH, JANUARY 1  | 240,121                 | 240,121   | 0                                      | 297,914   | 297,914   | 0                                      |
| CASH, DECEMBER 31  | 13,945                  | 285,628   | 271,683                                | 10,414    | 240,121   | 229,707                                |

## Exhibit B

## MACON COUNTY, MISSOURI

## COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - VARIOUS FUND

|  | Year Ended December 31, |        |  |          |        |  |
|--|-------------------------|--------|--|----------|--------|--|
|  | 2003                    |        |  | 2002     |        |  |
|  | Budget                  | Actual | Variance<br>Favorable<br>(Unfavorable) | Budget   | Actual | Variance<br>Favorable<br>(Unfavorable) |
| <b><u>RECORDER'S USER FEES FUND</u></b>                |                         |        |  |          |        |  |
| RECEIPTS   |                         |        |  |          |        |  |
| Charges for services                                   | 7,600                   | 8,348  | 748                                    | 6,350    | 7,702  | 1,352                                  |
| Interest   | 400                     | 310    | (90)                                   | 650      | 381    | (269)                                  |
| Total Receipts   | 8,000                   | 8,658  | 658                                    | 7,000    | 8,083  | 1,083                                  |
| DISBURSEMENTS  |                         |        |  |          |        |  |
| Ex Officio Recorder of Deeds                           | 23,000                  | 6,102  | 16,898                                 | 17,500   | 1,375  | 16,125                                 |
| Total Disbursement:                                    | 23,000                  | 6,102  | 16,898                                 | 17,500   | 1,375  | 16,125                                 |
| RECEIPTS OVER (UNDER) DISBURSEMENTS                    | (15,000)                | 2,556  | 17,556                                 | (10,500) | 6,708  | 17,208                                 |
| CASH, JANUARY 1  | 17,716                  | 17,716 | 0                                      | 11,008   | 11,008 | 0                                      |
| CASH, DECEMBER 31                                      | 2,716                   | 20,272 | 17,556                                 | 508      | 17,716 | 17,208                                 |
| <b><u>PROSECUTING ATTORNEY DELINQUENT TAX FUND</u></b> |                         |        |  |          |        |  |
| RECEIPTS   |                         |        |  |          |        |  |
| Intergovernmental                                      | 300                     | 149    | (151)                                  | 1,000    | 254    | (746)                                  |
| Interest   | 30                      | 6      | (24)                                   | 15       | 27     | 12                                     |
| Total Receipts   | 330                     | 155    | (175)                                  | 1,015    | 281    | (734)                                  |
| DISBURSEMENTS  |                         |        |  |          |        |  |
| Prosecuting Attorney                                   | 1,000                   | 1,000  | 0                                      | 1,500    | 0      | 1,500                                  |
| Total Disbursement:                                    | 1,000                   | 1,000  | 0                                      | 1,500    | 0      | 1,500                                  |
| RECEIPTS OVER (UNDER) DISBURSEMENTS                    | (670)                   | (845)  | (175)                                  | (485)    | 281    | 766                                    |
| CASH, JANUARY 1  | 1,131                   | 1,131  | 0                                      | 850      | 850    | 0                                      |
| CASH, DECEMBER 31                                      | 461                     | 286    | (175)                                  | 365      | 1,131  | 766                                    |
| <b><u>DARE FUND</u></b>                                |                         |        |  |          |        |  |
| RECEIPTS   |                         |        |  |          |        |  |
| Interest   | 100                     | 90     | (10)                                   | 100      | 138    | 38                                     |
| Other  | 0                       | 0      | 0                                      | 150      | 0      | (150)                                  |
| Total Receipts   | 100                     | 90     | (10)                                   | 250      | 138    | (112)                                  |
| DISBURSEMENTS  |                         |        |  |          |        |  |
| Sheriff  | 1,000                   | 0      | 1,000                                  | 1,000    | 159    | 841                                    |
| Total Disbursement:                                    | 1,000                   | 0      | 1,000                                  | 1,000    | 159    | 841                                    |
| RECEIPTS OVER (UNDER) DISBURSEMENTS                    | (900)                   | 90     | 990                                    | (750)    | (21)   | 729                                    |
| CASH, JANUARY 1  | 5,202                   | 5,202  | 0                                      | 5,223    | 5,223  | 0                                      |
| CASH, DECEMBER 31                                      | 4,302                   | 5,292  | 990                                    | 4,473    | 5,202  | 729                                    |
| <b><u>COMMUNITY DEVELOPMENT BLOCK GRANT FUND</u></b>   |                         |        |  |          |        |  |
| RECEIPTS   |                         |        |  |          |        |  |
| Intergovernmental                                      |                         |        |  | 950      | 950    | 0                                      |
| Total Receipts   |                         |        |  | 950      | 950    | 0                                      |
| DISBURSEMENTS  |                         |        |  |          |        |  |
| Project  |                         |        |  | 950      | 950    | 0                                      |
| Total Disbursement:                                    |                         |        |  | 950      | 950    | 0                                      |
| RECEIPTS OVER (UNDER) DISBURSEMENTS                    |                         |        |  | 0        | 0      | 0                                      |
| CASH, JANUARY 1  |                         |        |  | 0        | 0      | 0                                      |
| CASH, DECEMBER 31                                      |                         |        |  | 0        | 0      | 0                                      |

## Exhibit B

## MACON COUNTY, MISSOURI

## COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - VARIOUS FUND

|   | Year Ended December 31, |         |  |          |         |  |
|---|-------------------------|---------|--|----------|---------|--|
|   | 2003                    |         |  | 2002     |         |  |
|   | Budget                  | Actual  | Variance<br>Favorable<br>(Unfavorable) | Budget   | Actual  | Variance<br>Favorable<br>(Unfavorable) |
| <b><u>PROSECUTING ATTORNEY BAD CHECK FUND</u></b>     |                         |         |  |          |         |  |
| RECEIPTS  |                         |         |  |          |         |  |
| Charges for service:                                  | 23,000                  | 23,041  | 41                                     | 17,000   | 21,825  | 4,825                                  |
| Interest  | 500                     | 216     | (284)                                  | 1,000    | 442     | (558)                                  |
| Other   | 0                       | 10      | 10                                     | 0        | 173     | 173                                    |
| Total Receipts  | 23,500                  | 23,267  | (233)                                  | 18,000   | 22,440  | 4,440                                  |
| DISBURSEMENTS   |                         |         |  |          |         |  |
| Prosecuting Attorney                                  | 26,925                  | 23,440  | 3,485                                  | 25,125   | 25,649  | (524)                                  |
| Total Disbursement:                                   | 26,925                  | 23,440  | 3,485                                  | 25,125   | 25,649  | (524)                                  |
| RECEIPTS OVER (UNDER) DISBURSEMENTS                   | (3,425)                 | (173)   | 3,252                                  | (7,125)  | (3,209) | 3,916                                  |
| CASH, JANUARY 1                                       | 14,232                  | 14,232  | 0                                      | 17,441   | 17,441  | 0                                      |
| CASH, DECEMBER 31                                     | 10,807                  | 14,059  | 3,252                                  | 10,316   | 14,232  | 3,916                                  |
| <b><u>VICTIMS OF DOMESTIC VIOLENCE FUND</u></b>       |                         |         |  |          |         |  |
| RECEIPTS  |                         |         |  |          |         |  |
| Charges for service:                                  | 600                     | 620     | 20                                     | 600      | 595     | (5)                                    |
| Interest  | 35                      | 41      | 6                                      | 100      | 46      | (54)                                   |
| Total Receipts  | 635                     | 661     | 26                                     | 700      | 641     | (59)                                   |
| DISBURSEMENTS   |                         |         |  |          |         |  |
| Victims Shelter                                       | 2,500                   | 0       | 2,500                                  | 1,000    | 0       | 1,000                                  |
| Total Disbursement:                                   | 2,500                   | 0       | 2,500                                  | 1,000    | 0       | 1,000                                  |
| RECEIPTS OVER (UNDER) DISBURSEMENTS                   | (1,865)                 | 661     | 2,526                                  | (300)    | 641     | 941                                    |
| CASH, JANUARY 1                                       | 2,082                   | 2,082   | 0                                      | 1,441    | 1,441   | 0                                      |
| CASH, DECEMBER 31                                     | 217                     | 2,743   | 2,526                                  | 1,141    | 2,082   | 941                                    |
| <b><u>SHERIFF CIVIL FEES FUND</u></b>                 |                         |         |  |          |         |  |
| RECEIPTS  |                         |         |  |          |         |  |
| Charges for service:                                  | 29,500                  | 33,267  | 3,767                                  | 20,000   | 28,144  | 8,144                                  |
| Interest  | 500                     | 352     | (148)                                  | 900      | 371     | (529)                                  |
| Total Receipts  | 30,000                  | 33,619  | 3,619                                  | 20,900   | 28,515  | 7,615                                  |
| DISBURSEMENTS   |                         |         |  |          |         |  |
| Sheriff   | 41,173                  | 41,173  | 0                                      | 36,350   | 31,706  | 4,644                                  |
| Total Disbursement:                                   | 41,173                  | 41,173  | 0                                      | 36,350   | 31,706  | 4,644                                  |
| RECEIPTS OVER (UNDER) DISBURSEMENTS                   | (11,173)                | (7,554) | 3,619                                  | (15,450) | (3,191) | 12,259                                 |
| CASH, JANUARY 1                                       | 12,510                  | 12,510  | 0                                      | 15,701   | 15,701  | 0                                      |
| CASH, DECEMBER 31                                     | 1,337                   | 4,956   | 3,619                                  | 251      | 12,510  | 12,259                                 |
| <b><u>CIRCUIT CLERK SOUND RECORDING FEES FUND</u></b> |                         |         |  |          |         |  |
| RECEIPTS  |                         |         |  |          |         |  |
| Charges for service:                                  | 1,575                   | 1,414   | (161)                                  | 1,550    | 1,575   | 25                                     |
| Interest  | 25                      | 21      | (4)                                    | 50       | 19      | (31)                                   |
| Total Receipts  | 1,600                   | 1,435   | (165)                                  | 1,600    | 1,594   | (6)                                    |
| DISBURSEMENTS   |                         |         |  |          |         |  |
| Circuit Clerk   | 2,000                   | 495     | 1,505                                  | 3,500    | 2,706   | 794                                    |
| Total Disbursement:                                   | 2,000                   | 495     | 1,505                                  | 3,500    | 2,706   | 794                                    |
| RECEIPTS OVER (UNDER) DISBURSEMENTS                   | (400)                   | 940     | 1,340                                  | (1,900)  | (1,112) | 788                                    |
| CASH, JANUARY 1                                       | 815                     | 815     | 0                                      | 1,927    | 1,927   | 0                                      |
| CASH, DECEMBER 31                                     | 415                     | 1,755   | 1,340                                  | 27       | 815     | 788                                    |

## Exhibit B

## MACON COUNTY, MISSOURI

## COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - VARIOUS FUND

|  | Year Ended December 31, |         |  |         |        |  |
|--|-------------------------|---------|--|---------|--------|--|
|  | 2003                    |         |  | 2002    |        |  |
|  | Budget                  | Actual  | Variance<br>Favorable<br>(Unfavorable) | Budget  | Actual | Variance<br>Favorable<br>(Unfavorable) |
| <b><u>ELECTION SERVICES FUND</u></b>     |                         |         |  |         |        |  |
| RECEIPTS                                 |                         |         |  |         |        |  |
| Charges for services                     | 500                     | 568     | 68                                     | 3,947   | 3,876  | (71)                                   |
| Interest                                 | 30                      | 29      | (1)                                    | 50      | 133    | 83                                     |
| Other                                    | 0                       | 281     | 281                                    | 0       | 0      | 0                                      |
| Total Receipts                           | 530                     | 878     | 348                                    | 3,997   | 4,009  | 12                                     |
| DISBURSEMENTS                            |                         |         |  |         |        |  |
| County Clerk                             | 3,350                   | 3,321   | 29                                     | 6,525   | 4,584  | 1,941                                  |
| Total Disbursements                      | 3,350                   | 3,321   | 29                                     | 6,525   | 4,584  | 1,941                                  |
| RECEIPTS OVER (UNDER) DISBURSEMENTS      | (2,820)                 | (2,443) | 377                                    | (2,528) | (575)  | 1,953                                  |
| CASH, JANUARY 1                          | 3,624                   | 3,624   | 0                                      | 4,199   | 4,199  | 0                                      |
| CASH, DECEMBER 31                        | 804                     | 1,181   | 377                                    | 1,671   | 3,624  | 1,953                                  |
| <b><u>LAW ENFORCEMENT FUND</u></b>       |                         |         |  |         |        |  |
| RECEIPTS                                 |                         |         |  |         |        |  |
| Interest                                 | 50                      | 18      | (32)                                   |         |        |  |
| Other                                    | 0                       | 50      | 50                                     |         |        |  |
| Total Receipts                           | 50                      | 68      | 18                                     |         |        |  |
| DISBURSEMENTS                            |                         |         |  |         |        |  |
| Sheriff                                  | 1,053                   | 0       | 1,053                                  |         |        |  |
| Total Disbursements                      | 1,053                   | 0       | 1,053                                  |         |        |  |
| RECEIPTS OVER (UNDER) DISBURSEMENTS      | (1,003)                 | 68      | 1,071                                  |         |        |  |
| CASH, JANUARY 1                          | 1,005                   | 1,005   | 0                                      |         |        |  |
| CASH, DECEMBER 31                        | 2                       | 1,073   | 1,071                                  |         |        |  |
| <b><u>RECORDER'S TECHNOLOGY FUND</u></b> |                         |         |  |         |        |  |
| RECEIPTS                                 |                         |         |  |         |        |  |
| Charges for services                     | 4,650                   | 5,063   | 413                                    | 3,375   | 4,665  | 1,290                                  |
| Interest                                 | 50                      | 28      | (22)                                   | 25      | 46     | 21                                     |
| Total Receipts                           | 4,700                   | 5,091   | 391                                    | 3,400   | 4,711  | 1,311                                  |
| DISBURSEMENTS                            |                         |         |  |         |        |  |
| Ex Officio Recorder of Deeds             | 7,000                   | 5,860   | 1,140                                  | 5,100   | 3,874  | 1,226                                  |
| Total Disbursements                      | 7,000                   | 5,860   | 1,140                                  | 5,100   | 3,874  | 1,226                                  |
| RECEIPTS OVER (UNDER) DISBURSEMENTS      | (2,300)                 | (769)   | 1,531                                  | (1,700) | 837    | 2,537                                  |
| CASH, JANUARY 1                          | 2,665                   | 2,665   | 0                                      | 1,828   | 1,828  | 0                                      |
| CASH, DECEMBER 31                        | 365                     | 1,896   | 1,531                                  | 128     | 2,665  | 2,537                                  |

## Exhibit B

## MACON COUNTY, MISSOURI

## COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - VARIOUS FUND

|   | Year Ended December 31, |         |  |          |         |  |
|---|-------------------------|---------|--|----------|---------|--|
|   | 2003                    |         |  | 2002     |         |  |
|   | Budget                  | Actual  | Variance<br>Favorable<br>(Unfavorable) | Budget   | Actual  | Variance<br>Favorable<br>(Unfavorable) |
| <b><u>LOCAL EMERGENCY PLANNING COMMITTEE FUND</u></b> |                         |         |  |          |         |  |
| RECEIPTS  |                         |         |  |          |         |  |
| Intergovernmental                                     | 5,750                   | 10,464  | 4,714                                  | 4,300    | 5,896   | 1,596                                  |
| Other   | 0                       | 0       | 0                                      | 0        | 100     | 100                                    |
| Total Receipts  | 5,750                   | 10,464  | 4,714                                  | 4,300    | 5,996   | 1,696                                  |
| DISBURSEMENTS   |                         |         |  |          |         |  |
| Training  | 2,000                   | 0       | 2,000                                  | 2,000    | 2,520   | (520)                                  |
| Equipment   | 2,000                   | 5,106   | (3,106)                                | 1,600    | 2,400   | (800)                                  |
| Mileage   | 200                     | 0       | 200                                    | 200      | 0       | 200                                    |
| LEOP grant  | 900                     | 28      | 872                                    | 0        | 0       | 0                                      |
| Other   | 0                       | 3,300   | (3,300)                                | 1,300    | 0       | 1,300                                  |
| Total Disbursements                                   | 5,100                   | 8,434   | (3,334)                                | 5,100    | 4,920   | 180                                    |
| RECEIPTS OVER (UNDER) DISBURSEMENTS                   | 650                     | 2,030   | 1,380                                  | (800)    | 1,076   | 1,876                                  |
| CASH, JANUARY 1                                       | 6,393                   | 6,393   | 0                                      | 5,317    | 5,317   | 0                                      |
| CASH, DECEMBER 31                                     | 7,043                   | 8,423   | 1,380                                  | 4,517    | 6,393   | 1,876                                  |
| <b><u>COUNTY PARK FUND</u></b>                        |                         |         |  |          |         |  |
| RECEIPTS  |                         |         |  |          |         |  |
| Property taxes  | 0                       | 77      | 77                                     | 0        | 874     | 874                                    |
| Intergovernmental                                     | 0                       | 0       | 0                                      | 25,070   | 0       | (25,070)                               |
| Charges for services                                  | 21,500                  | 21,432  | (68)                                   | 7,500    | 23,703  | 16,203                                 |
| Interest  | 1,300                   | 691     | (609)                                  | 2,500    | 1,374   | (1,126)                                |
| Other   | 1,800                   | 445     | (1,355)                                | 6,250    | 1,917   | (4,333)                                |
| Total Receipts  | 24,600                  | 22,645  | (1,955)                                | 41,320   | 27,868  | (13,452)                               |
| DISBURSEMENTS   |                         |         |  |          |         |  |
| Salaries and benefits                                 | 15,200                  | 14,134  | 1,066                                  | 14,500   | 14,555  | (55)                                   |
| Equipment   | 2,000                   | 781     | 1,219                                  | 4,500    | 1,875   | 2,625                                  |
| Other   | 20,250                  | 17,658  | 2,592                                  | 66,750   | 18,935  | 47,815                                 |
| Total Disbursements                                   | 37,450                  | 32,573  | 4,877                                  | 85,750   | 35,365  | 50,385                                 |
| RECEIPTS OVER (UNDER) DISBURSEMENTS                   | (12,850)                | (9,928) | 2,922                                  | (44,430) | (7,497) | 36,933                                 |
| CASH, JANUARY 1                                       | 47,642                  | 47,642  | 0                                      | 55,139   | 55,139  | 0                                      |
| CASH, DECEMBER 31                                     | 34,792                  | 37,714  | 2,922                                  | 10,709   | 47,642  | 36,933                                 |
| <b><u>COLLECTOR TAX MAINTENANCE FUND</u></b>          |                         |         |  |          |         |  |
| RECEIPTS  |                         |         |  |          |         |  |
| Charges for services                                  | 12,800                  | 12,191  | (609)                                  | 1,000    | 1,073   | 73                                     |
| Interest  | 0                       | 99      | 99                                     | 0        | 2       | 2                                      |
| Total Receipts  | 12,800                  | 12,290  | (510)                                  | 1,000    | 1,075   | 75                                     |
| DISBURSEMENTS   |                         |         |  |          |         |  |
| County Collector                                      | 10,999                  | 6,743   | 4,256                                  | 935      | 687     | 248                                    |
| Total Disbursements                                   | 10,999                  | 6,743   | 4,256                                  | 935      | 687     | 248                                    |
| RECEIPTS OVER (UNDER) DISBURSEMENTS                   | 1,801                   | 5,547   | 3,746                                  | 65       | 388     | 323                                    |
| CASH, JANUARY 1                                       | 388                     | 388     | 0                                      | 0        | 0       | 0                                      |
| CASH, DECEMBER 31                                     | 2,189                   | 5,935   | 3,746                                  | 65       | 388     | 323                                    |

## Exhibit B

## MACON COUNTY, MISSOURI

## COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - VARIOUS FUND

|  | Year Ended December 31, |         |  |         |         |  |
|--|-------------------------|---------|--|---------|---------|--|
|  | 2003                    |         |  | 2002    |         |  |
|  | Budget                  | Actual  | Variance<br>Favorable<br>(Unfavorable) | Budget  | Actual  | Variance<br>Favorable<br>(Unfavorable) |
| <b><u>COUNTY PARK CAPITAL IMPROVEMENT FUND</u></b> |                         |         |  |         |         |  |
| RECEIPTS   |                         |         |  |         |         |  |
| Sales Tax  | 245,833                 | 250,755 | 4,922                                  |         |         |  |
| Interest   | 100                     | 312     | 212                                    |         |         |  |
| Tax anticipation note                              | 200,000                 | 105,000 | (95,000)                               |         |         |  |
| Total Receipts                                     | 445,933                 | 356,067 | (89,866)                               |         |         |  |
| DISBURSEMENTS                                      |                         |         |  |         |         |  |
| Grand stand improvement                            | 250,000                 | 272,508 | (22,508)                               |         |         |  |
| Building improvement                               | 6,000                   | 0       | 6,000                                  |         |         |  |
| Equipment  | 10,000                  | 0       | 10,000                                 |         |         |  |
| Grounds  | 5,000                   | 0       | 5,000                                  |         |         |  |
| Note payment/interest                              | 172,850                 | 75,000  | 97,850                                 |         |         |  |
| Total Disbursements                                | 443,850                 | 347,508 | 96,342                                 |         |         |  |
| RECEIPTS OVER (UNDER) DISBURSEMENTS                | 2,083                   | 8,559   | 6,476                                  |         |         |  |
| CASH, JANUARY 1                                    | 0                       | 0       | 0                                      |         |         |  |
| CASH, DECEMBER 31                                  | 2,083                   | 8,559   | 6,476                                  |         |         |  |
| <b><u>LAW LIBRARY FUND</u></b>                     |                         |         |  |         |         |  |
| RECEIPTS   |                         |         |  |         |         |  |
| Charge for services                                | 6,760                   | 7,714   | 954                                    | 5,350   | 6,726   | 1,376                                  |
| Interest   | 140                     | 91      | (49)                                   | 225     | 200     | (25)                                   |
| Total Receipts                                     | 6,900                   | 7,805   | 905                                    | 5,575   | 6,926   | 1,351                                  |
| DISBURSEMENTS                                      |                         |         |  |         |         |  |
| Associate Circuit Judge                            | 7,414                   | 6,097   | 1,317                                  | 5,982   | 8,508   | (2,526)                                |
| Total Disbursements                                | 7,414                   | 6,097   | 1,317                                  | 5,982   | 8,508   | (2,526)                                |
| RECEIPTS OVER (UNDER) DISBURSEMENTS                | (514)                   | 1,708   | 2,222                                  | (407)   | (1,582) | (1,175)                                |
| CASH, JANUARY 1                                    | 10,252                  | 10,302  | 50                                     | 11,884  | 11,884  | 0                                      |
| CASH, DECEMBER 31                                  | 9,738                   | 12,010  | 2,272                                  | 11,477  | 10,302  | (1,175)                                |
| <b><u>PARENT EDUCATION FUND</u></b>                |                         |         |  |         |         |  |
| RECEIPTS   |                         |         |  |         |         |  |
| Charge for service                                 | 2,910                   | 2,030   | (880)                                  | 2,450   | 2,940   | 490                                    |
| Interest   | 40                      | 22      | (18)                                   | 50      | 36      | (14)                                   |
| Total Receipts                                     | 2,950                   | 2,052   | (898)                                  | 2,500   | 2,976   | 476                                    |
| DISBURSEMENTS                                      |                         |         |  |         |         |  |
| Circuit Judge                                      | 4,000                   | 4,483   | (483)                                  | 3,500   | 2,200   | 1,300                                  |
| Total Disbursements                                | 4,000                   | 4,483   | (483)                                  | 3,500   | 2,200   | 1,300                                  |
| RECEIPTS OVER (UNDER) DISBURSEMENTS                | (1,050)                 | (2,431) | (1,381)                                | (1,000) | 776     | 1,776                                  |
| CASH, JANUARY 1                                    | 2,433                   | 2,433   | 0                                      | 1,657   | 1,657   | 0                                      |
| CASH, DECEMBER 31                                  | 1,383                   | 2       | (1,381)                                | 657     | 2,433   | 1,776                                  |

## Exhibit B

## MACON COUNTY, MISSOURI

## COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - VARIOUS FUND

| Year Ended December 31,                             |          |  |          |          |  |          |
|---|----------|--|----------|----------|--|----------|
| 2003  |          |  | 2002     |          |  |          |
| Budget  | Actual   | Variance<br>Favorable<br>(Unfavorable) | Budget   | Actual   | Variance<br>Favorable<br>(Unfavorable) |          |
| <b><u>CIRCUIT CLERK INTEREST FUND</u></b>           |          |  |          |          |  |          |
| RECEIPTS  |          |  |          |          |  |          |
| Interest  | 4,800    | 2,362                                  | (2,438)  | 6,500    | 4,717                                  | (1,783)  |
| Total Receipts                                      | 4,800    | 2,362                                  | (2,438)  | 6,500    | 4,717                                  | (1,783)  |
| DISBURSEMENTS                                       |          |  |          |          |  |          |
| Circuit Clerk                                       | 15,000   | 7,656                                  | 7,344    | 20,000   | 8,374                                  | 11,626   |
| Total Disbursement:                                 | 15,000   | 7,656                                  | 7,344    | 20,000   | 8,374                                  | 11,626   |
| RECEIPTS OVER (UNDER) DISBURSEMENTS                 | (10,200) | (5,294)                                | 4,906    | (13,500) | (3,657)                                | 9,843    |
| CASH, JANUARY 1                                     | 10,933   | 10,933                                 | 0        | 14,590   | 14,590                                 | 0        |
| CASH, DECEMBER 31                                   | 733      | 5,639                                  | 4,906    | 1,090    | 10,933                                 | 9,843    |
| <b><u>ASSOCIATE CIRCUIT COURT INTEREST FUND</u></b> |          |  |          |          |  |          |
| RECEIPTS  |          |  |          |          |  |          |
| Interest  | 1,200    | 531                                    | (669)    | 1,500    | 1,171                                  | (329)    |
| Total Receipts                                      | 1,200    | 531                                    | (669)    | 1,500    | 1,171                                  | (329)    |
| DISBURSEMENTS                                       |          |  |          |          |  |          |
| Associate Circuit Judge                             | 2,500    | 634                                    | 1,866    | 1,500    | 529                                    | 971      |
| Total Disbursement:                                 | 2,500    | 634                                    | 1,866    | 1,500    | 529                                    | 971      |
| RECEIPTS OVER (UNDER) DISBURSEMENTS                 | (1,300)  | (103)                                  | 1,197    | 0        | 642                                    | 642      |
| CASH, JANUARY 1                                     | 1,402    | 1,402                                  | 0        | 760      | 760                                    | 0        |
| CASH, DECEMBER 31                                   | 102      | 1,299                                  | 1,197    | 760      | 1,402                                  | 642      |
| <b><u>HEALTH CENTER FUND</u></b>                    |          |  |          |          |  |          |
| RECEIPTS  |          |  |          |          |  |          |
| Property taxes                                      | 205,000  | 219,490                                | 14,490   | 205,000  | 207,579                                | 2,579    |
| Intergovernmental                                   | 161,102  | 187,056                                | 25,954   | 167,114  | 179,899                                | 12,785   |
| Charges for services                                | 55,270   | 63,564                                 | 8,294    | 57,100   | 54,645                                 | (2,455)  |
| Interest  | 7,000    | 4,578                                  | (2,422)  | 10,000   | 6,374                                  | (3,626)  |
| Other   | 2,650    | 3,813                                  | 1,163    | 2,150    | 19,271                                 | 17,121   |
| Total Receipts                                      | 431,022  | 478,501                                | 47,479   | 441,364  | 467,768                                | 26,404   |
| DISBURSEMENTS                                       |          |  |          |          |  |          |
| Salaries and benefits                               | 347,485  | 363,951                                | (16,466) | 407,600  | 364,465                                | 43,135   |
| Office expense:                                     | 32,150   | 29,066                                 | 3,084    | 27,400   | 28,512                                 | (1,112)  |
| Equipment   | 3,325    | 15,238                                 | (11,913) | 6,200    | 877                                    | 5,323    |
| Mileage and training                                | 12,000   | 8,379                                  | 3,621    | 15,000   | 9,623                                  | 5,377    |
| Program expense:                                    | 36,000   | 32,368                                 | 3,632    | 38,300   | 14,084                                 | 24,216   |
| Other   | 12,100   | 11,698                                 | 402      | 4,600    | 42,070                                 | (37,470) |
| Total Disbursement:                                 | 443,060  | 460,700                                | (17,640) | 499,100  | 459,631                                | 39,469   |
| RECEIPTS OVER (UNDER) DISBURSEMENTS                 | (12,038) | 17,801                                 | 29,839   | (57,736) | 8,137                                  | 65,873   |
| CASH, JANUARY 1                                     | 209,644  | 209,833                                | 189      | 201,696  | 201,696                                | 0        |
| CASH, DECEMBER 31                                   | 197,606  | 227,634                                | 30,028   | 143,960  | 209,833                                | 65,873   |

## Exhibit B

## MACON COUNTY, MISSOURI

## COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - VARIOUS FUND

|   | Year Ended December 31, |         |  |         |          |  |
|---|-------------------------|---------|--|---------|----------|--|
|   | 2003                    |         |  | 2002    |          |  |
|   | Budget                  | Actual  | Variance<br>Favorable<br>(Unfavorable) | Budget  | Actual   | Variance<br>Favorable<br>(Unfavorable) |
| <b><u>ENHANCED 911 BOARD FUND</u></b>   |                         |         |  |         |          |  |
| RECEIPTS                                |                         |         |  |         |          |  |
| Sales taxes                             | 473,112                 | 451,622 | (21,490)                               | 433,961 | 446,754  | 12,793                                 |
| Charges for service:                    | 8,500                   | 9,168   | 668                                    | 6,750   | 8,080    | 1,330                                  |
| Interest                                | 3,500                   | 2,750   | (750)                                  | 6,500   | 4,468    | (2,032)                                |
| Other                                   | 350                     | 1,480   | 1,130                                  | 300     | 2,628    | 2,328                                  |
| Total Receipts                          | 485,462                 | 465,020 | (20,442)                               | 447,511 | 461,930  | 14,419                                 |
| DISBURSEMENTS                           |                         |         |  |         |          |  |
| Salaries and benefits                   | 367,645                 | 351,342 | 16,303                                 | 334,209 | 350,244  | (16,035)                               |
| Office expense:                         | 12,150                  | 10,021  | 2,129                                  | 14,100  | 12,627   | 1,473                                  |
| Equipment                               | 84,500                  | 83,563  | 937                                    | 78,400  | 85,565   | (7,165)                                |
| Mileage and training                    | 7,920                   | 6,125   | 1,795                                  | 5,850   | 6,952    | (1,102)                                |
| Other                                   | 12,650                  | 7,586   | 5,064                                  | 8,590   | 6,661    | 1,929                                  |
| Total Disbursement:                     | 484,865                 | 458,637 | 26,228                                 | 441,149 | 462,049  | (20,900)                               |
| RECEIPTS OVER (UNDER) DISBURSEMENTS     | 597                     | 6,383   | 5,786                                  | 6,362   | (119)    | (6,481)                                |
| CASH, JANUARY 1                         | 158,633                 | 159,262 | 629                                    | 159,381 | 159,381  | 0                                      |
| CASH, DECEMBER 31                       | 159,230                 | 165,645 | 6,415                                  | 165,743 | 159,262  | (6,481)                                |
| <b><u>SENATE BILL 40 BOARD FUND</u></b> |                         |         |  |         |          |  |
| RECEIPTS                                |                         |         |  |         |          |  |
| Property taxes                          | 136,573                 | 145,946 | 9,373                                  | 132,000 | 137,948  | 5,948                                  |
| Interest                                | 2,200                   | 990     | (1,210)                                | 2,100   | 2,473    | 373                                    |
| Total Receipts                          | 138,773                 | 146,936 | 8,163                                  | 134,100 | 140,421  | 6,321                                  |
| DISBURSEMENTS                           |                         |         |  |         |          |  |
| Administrative expense                  | 4,800                   | 2,174   | 2,626                                  | 4,800   | 3,114    | 1,686                                  |
| Purchase of service:                    | 118,900                 | 126,837 | (7,937)                                | 110,150 | 140,150  | (30,000)                               |
| Special services                        | 15,000                  | 8,548   | 6,452                                  | 15,000  | 4,939    | 10,061                                 |
| Vehicle                                 | 0                       | 0       | 0                                      | 0       | 6,118    | (6,118)                                |
| Total Disbursement:                     | 138,700                 | 137,559 | 1,141                                  | 129,950 | 154,321  | (24,371)                               |
| RECEIPTS OVER (UNDER) DISBURSEMENTS     | 73                      | 9,377   | 9,304                                  | 4,150   | (13,900) | (18,050)                               |
| CASH, JANUARY 1                         | 81,427                  | 78,991  | (2,436)                                | 92,891  | 92,891   | 0                                      |
| CASH, DECEMBER 31                       | 81,500                  | 88,368  | 6,868                                  | 97,041  | 78,991   | (18,050)                               |

The accompanying Notes to the Financial Statements are an integral part of this statement.



## Notes to the Financial Statements

MACON COUNTY, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

A. Reporting Entity and Basis of Presentation

The accompanying financial statements present the receipts, disbursements, and changes in cash of various funds of Macon County, Missouri, and comparisons of such information with the corresponding budgeted information for various funds of the county. The funds presented are established under statutory or administrative authority, and their operations are under the control of the County Commission, an elected county official, the Health Center Board, the Enhanced 911 Board, or the Senate Bill 40 Board. The General Revenue Fund is the county's general operating fund, accounting for all financial resources except those required to be accounted for in another fund. The other funds presented account for financial resources whose use is restricted for specified purposes.

B. Basis of Accounting

The financial statements are prepared on the cash basis of accounting; accordingly, amounts are recognized when received or disbursed in cash. This basis of accounting differs from accounting principles generally accepted in the United States of America. Those principles require revenues to be recognized when they become available and measurable or when they are earned and expenditures or expenses to be recognized when the related liabilities are incurred.

C. Budgets and Budgetary Practices

The County Commission and other applicable boards are responsible for the preparation and approval of budgets for various county funds in accordance with Sections 50.525 through 50.745, RSMo 2000, the county budget law. These budgets are adopted on the cash basis of accounting.

Although adoption of a formal budget is required by law, the county did not adopt formal budgets for the Cemetery Trust Fund for the years ended December 31, 2003 and 2002 and the Law Enforcement Fund for the year ended December 31, 2002.

Section 50.740, RSMo 2000, prohibits expenditures in excess of the approved budgets. However, expenditures exceeded budgeted amounts for the following funds:

| <u>Fund</u>                             | <u>Years Ended December 31,</u> |
|---|---------------------------------|
| Local Emergency Planning Committee Fund | 2003                            |
| Health Center Fund                      | 2003                            |
| Parents as Educators Fund               | 2003                            |
| Prosecuting Attorney Bad Check Fund     | 2002                            |
| Law Library Fund                        | 2002                            |
| Enhanced 911 Fund                       | 2002                            |
| Senate Bill 40 Fund                     | 2002                            |

D. Published Financial Statements

Under Sections 50.800 and 50.810, RSMo 2000, the County Commission is responsible for preparing and publishing in a local newspaper a detailed annual financial statement for the county. The financial statement is required to show receipts or revenues, disbursements or expenditures, and beginning and ending balances for each fund.

The county's published financial statements for the years ended December 31, 2003 and 2002, included all funds presented in the accompanying financial statements.

2. Cash

Section 110.270, RSMo 2000, based on Article IV, Section 15, Missouri Constitution, authorizes counties to place their funds, either outright or by repurchase agreement, in U.S. Treasury and agency obligations. In addition, Section 30.950, RSMo 2000, requires political subdivisions with authority to invest in instruments other than depositary accounts at financial institutions to adopt a written investment policy. Among other things, the policy is to commit a political subdivision to the principles of safety, liquidity, and yield (in that order) when managing public funds and to prohibit purchase of derivatives (either directly or through repurchase agreements), use of leveraging (through either reverse repurchase agreements or other methods), and use of public funds for speculation. The county has adopted such a policy.

In accordance with Statement No. 3 of the Governmental Accounting Standards Board, *Deposits with Financial Institutions, Investments (Including Repurchase Agreements), and Reverse Repurchase Agreements*, disclosures are provided below regarding the risk of potential loss of cash deposits. For the purposes of these disclosures, deposits with financial institutions are demand, time, and savings accounts, including certificates of deposit and negotiable order of withdrawal accounts, in banks, savings institutions, and credit unions.

The county's deposits at December 31, 2003 and 2002, were entirely covered by federal depositary insurance or by collateral securities held by the county's custodial bank in the county's name or by an irrevocable letter of credit issued by the Federal Home Loan Bank.

The health center's deposits at December 31, 2003 and 2002, were entirely covered by federal depositary insurance or by collateral securities held by the health center's custodial bank in the health center's name.

The Enhanced 911 Board's and Senate Bill 40 Board's deposits at December 31, 2003 and 2002, were entirely covered by federal depositary insurance.

3. Prior Period Adjustment

The Cemetery Trust's cash balance of \$10,407 at January 1, 2002, was not previously reported but has been added.

The County Employees Retirement Fund's cash balance of \$4,431 as of January 1, 2002, was previously reported but has not been included in this report because it is an agency fund and is not considered county operating funds.

## Supplementary Schedule

## Schedule

MACON COUNTY, MISSOURI  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

| Federal<br>CFDA<br>Number                           | Federal Grantor/Pass-Through Grantor/Program Title                         | Pass-Through<br>Entity<br>Identifying<br>Number          | Federal Expenditures        |                                  |
|---|--|--|-----------------------------|----------------------------------|
|   |  |  | Year Ended December 31,     |                                  |
|   |  |  | 2003                        | 2002                             |
| U. S. DEPARTMENT OF AGRICULTURE                     |  |  |                             |                                  |
|   | Passed through state   |  |                             |                                  |
|   | Department of Health and Senior Services -                                 |  |                             |                                  |
| 10.557  | Special Supplemental Nutrition Program<br>for Women, Infants, and Children | ERS 045-2161<br>ERS 045-3161<br>ERS 045-4161             | \$ 0<br>51,418              | 38,790<br>0                      |
|   | Program Total  |  | <u>51,418</u>               | <u>38,790</u>                    |
| U.S. DEPARTMENT OF HOUSING AND URBAN<br>DEVELOPMENT |  |  |                             |                                  |
|   | Passed through state   |  |                             |                                  |
|   | Department of Economic Development -                                       |  |                             |                                  |
| 14.228  | Community Development Block Grants/State'<br>Program                       | 98-ED-016  | 0                           | 950                              |
| U.S. DEPARTMENT OF JUSTICE                          |  |  |                             |                                  |
|   | Direct programs:   |  |                             |                                  |
| 16.710  | Public Safety Partnership and Community Policing Grant                     | 2001CMWX0248<br>2000UMWX0074                             | 0<br>0                      | 52,650<br>17,013                 |
|   | Program Total  |  | <u>0</u>                    | <u>69,663</u>                    |
|   | Passed through:  |  |                             |                                  |
|   | State Department of Public Safety  |  |                             |                                  |
| 16.523  | Juvenile Accountability Incentive Block Grant                              | 99JAIBG-INT-09   | 0                           | 4,490                            |
|   | Missouri Sheriffs' Association -   |  |                             |                                  |
| 16  | Domestic Cannabis Eradication/Suppression Program                          | N/A  | 0                           | 1,077                            |
| U. S. DEPARTMENT OF TRANSPORTATION                  |  |  |                             |                                  |
|   | Passed through state   |  |                             |                                  |
|   | Highway and Transportation Commission                                      |  |                             |                                  |
| 20.205  | Highway Planning and Construction  | BRO-061(16)<br>BRO-061(22)<br>BRO-061(23)<br>BRO-061(24) | 0<br>0<br>464,000<br>11,806 | 2,214<br>362,233<br>118,087<br>0 |
|   | Program Total  |  | <u>475,806</u>              | <u>482,534</u>                   |

## Schedule

MACON COUNTY, MISSOURI  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

| Federal<br>CFDA<br>Number | Federal Grantor/Pass-Through Grantor/Program Title   | Pass-Through<br>Entity<br>Identifying<br>Number | Federal Expenditures    |                |
|---------------------------|--|---|-------------------------|----------------|
|                           |  |   | Year Ended December 31, |                |
|                           |  |   | 2003                    | 2002           |
| 20.513                    | Capital Assistance Program for Elderly<br>Persons and Persons with Disabilities  | MO 16-0033                                      | 0                       | 24,446         |
|                           | Department of Public Safety  |   |                         |                |
| 20.703                    | Interagency Hazardous Materials Public<br>Sector Training and Planning Grants  | N/A   | 4,517                   | 2,682          |
|                           | GENERAL SERVICES ADMINISTRATION  |   |                         |                |
|                           | Passed through state Office of Administration  |   |                         |                |
| 39.003                    | Donation of Federal Surplus Personal Property  | N/A   | 0                       | 272            |
|                           | FEDERAL EMERGENCY MANAGEMENT AGENCY  |   |                         |                |
|                           | Passed through state Department of Public Safety   |   |                         |                |
| 83.552                    | Emergency Management Performance Grants  | PW 429  | 0                       | 35,038         |
|                           |  | PW 503  | 0                       | 5,251          |
|                           |  | PW 155  | 0                       | 12,130         |
|                           |  | PW 156  | 0                       | 3,066          |
|                           |  | PW 159  | 0                       | 23,927         |
|                           |  | PW 587  | 0                       | 10,487         |
|                           |  | PW 141  | 255,190                 | 17,414         |
|                           |  | PW 142  | 181,204                 | 13,456         |
|                           | Program Total  |   | <u>436,394</u>          | <u>120,769</u> |
| 83.562                    | LEOP**   | EMK2003GR2540                                   | 2,647                   | 3,214          |
|                           | U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES  |   |                         |                |
|                           | Passed through state   |   |                         |                |
|                           | Department of Health and Senior Services -   |   |                         |                |
| 93.197                    | Childhood Lead Poisoning Prevention Projects<br>State and Local Childhood Lead Poisoning Prevention<br>and Surveillance of Blood Lead Levels in Children | ERS 146-3161T                                   | 469                     | 0              |
| 93.268                    | Immunization Grants  | PGA064-3161A                                    | 3,050                   | 5,590          |
|                           |  | N/A   | 33,491                  | 24,692         |
|                           | Program Total  |   | <u>36,541</u>           | <u>30,282</u>  |
| 93.283                    | Centers for Disease Control and Prevention<br>Investigations and Technical Assistance  | DH03027001                                      | 11,658                  | 0              |
|                           | Department of Social Services -  |   |                         |                |
| 93.556                    | Promoting Safe and Stable Families   |   | 371                     | 1,455          |

## Schedule

MACON COUNTY, MISSOURI  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

| Federal<br>CFDA<br>Number | Federal Grantor/Pass-Through Grantor/Program Title  | Pass-Through<br>Entity<br>Identifying<br>Number | Federal Expenditures    |                |
|---------------------------|---|---|-------------------------|----------------|
|                           |   |   | Year Ended December 31, |                |
|                           |   |   | 2003                    | 2002           |
|                           | Department of Health and Senior Services -  |   |                         |                |
| 93.575                    | Child Care and Development Block Grant  | PGA067-2161C                                    | 0                       | 1,195          |
|                           |   | PGA067-2161S                                    | 0                       | 2,105          |
|                           |   | PGA067-4161C                                    | 785                     | 0              |
|                           |   | PGA067-3161S                                    | 1,870                   | 0              |
|                           | Program Total   |   | <u>2,655</u>            | <u>3,300</u>   |
|                           | Department of Social Services -   |   |                         |                |
| 93.667                    | Social Services Block Grant   | ERO012086                                       | 8,993                   | 7,468          |
|                           | Department of Health and Senior Services  |   |                         |                |
| 93.919                    | Cooperative Agreements for State-Based Comprehensive Breast and Cervical Cancer Early Detection Program | ERS161-40082                                    | 5,128                   | 0              |
|                           |   | ERS161-20088                                    | 0                       | 5,404          |
|                           | Program Total   |   | <u>5,128</u>            | <u>5,404</u>   |
| 93.994                    | Maternal and Child Health Services Block Grant to the States  | ERS146-2161M                                    | 0                       | 16,793         |
|                           |   | ERS146-3161M                                    | 18,700                  | 0              |
|                           |   | ERS146-3039F                                    | 4,558                   | 9,401          |
|                           |   | N/A   | 304                     | 262            |
|                           | Program Total   |   | <u>23,562</u>           | <u>26,456</u>  |
|                           | Total Expenditures of Federal Awards  |   | <u>\$ 1,060,159</u>     | <u>823,252</u> |

\* The CFDA number for this program changed to 97.042 in October 2002

\*\* The CFDA number for this program changed to 97.051 in October 2002

N/A - Not applicable

The accompanying Notes to the Supplementary Schedule are an integral part of this schedule



## Notes to the Supplementary Schedule

MACON COUNTY, MISSOURI  
NOTES TO THE SUPPLEMENTARY SCHEDULE

1. Summary of Significant Accounting Policies

A. Purpose of Schedule and Reporting Entity

The accompanying Schedule of Expenditures of Federal Awards has been prepared to comply with the requirements of OMB Circular A-133. This circular requires a schedule that provides total federal awards expended for each federal program and the Catalog of Federal Domestic Assistance (CFDA) number or other identifying number when the CFDA information is not available.

The schedule includes all federal awards administered by Macon County, Missouri.

B. Basis of Presentation

OMB Circular A-133 includes these definitions, which govern the contents of the schedule:

*Federal financial assistance* means assistance that non-Federal entities receive or administer in the form of grants, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations, and other assistance, but does not include amounts received as reimbursement for services rendered to individuals. . . .

*Federal award* means Federal financial assistance and Federal cost-reimbursement contracts that non-Federal entities receive directly from Federal awarding agencies or indirectly from pass-through entities. It does not include procurement contracts, under grants or contracts, used to buy goods or services from vendors.

Accordingly, the schedule includes expenditures of both cash and noncash awards.

C. Basis of Accounting

Except as noted below, the schedule is presented on the cash basis of accounting, which recognizes amounts only when disbursed in cash.

Amounts for the Donation of Federal Surplus Property (CFDA number 39.003) represent the estimated fair market value of the property at the time of receipt.

Amounts for Immunization Grants (CFDA number 93.268) and the Maternal and Child Health Services Block Grant to the States (CFDA number 93.994) include both cash disbursements and the original acquisition cost of vaccines obtained by the Health Center through the state Department of Health and Senior Services.

2. Subrecipients

The county provided no federal awards to subrecipients during the years ended December 31, 2003 and 2002.

FEDERAL AWARDS -  
SINGLE AUDIT SECTION

## State Auditor's Report



**CLAIRE C. McCASKILL**  
**Missouri State Auditor**

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH  
REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL  
CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

To the County Commission  
and  
Officeholders of Macon County, Missouri

Compliance

We have audited the compliance of Macon County, Missouri, with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to its major federal program for the years ended December 31, 2003 and 2002. The county's major federal program is identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to its major federal program is the responsibility of the county's management. Our responsibility is to express an opinion on the county's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the county's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the county's compliance with those requirements.

In our opinion, Macon County, Missouri, complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the years ended December 31, 2003 and 2002. However, the results of our auditing procedures disclosed an instance of noncompliance with those requirements, which is required to be reported in accordance with

OMB Circular A-133 and which is described in the accompanying Schedule of Findings and Questioned Costs as finding number 03-01.

### Internal Control Over Compliance

The management of Macon County, Missouri, is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the county's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on the internal control over compliance in accordance with OMB Circular A-133.

We noted a certain matter involving the internal control over compliance and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over compliance that, in our judgment, could adversely affect the county's ability to administer a major federal program in accordance with the applicable requirements of laws, regulations, contracts, and grants. The reportable condition is described in the accompanying Schedule of Findings and Questioned Costs as finding number 03-01.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with the applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we do not believe that the reportable condition described above is a material weakness.

This report is intended for the information and use of the management of Macon County, Missouri; federal awarding agencies and pass-through entities; and other applicable government officials. However, pursuant to Section 29.270, RSMo 2000, this report is a matter of public record and its distribution is not limited.

A handwritten signature in black ink, reading "Claire McCaskill". The signature is fluid and cursive, with the first name "Claire" and last name "McCaskill" clearly distinguishable.

Claire McCaskill  
State Auditor

March 25, 2004 (fieldwork completion date)

Schedule



MACON COUNTY, MISSOURI  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(INCLUDING MANAGEMENT'S PLAN FOR CORRECTIVE ACTION)  
YEARS ENDED DECEMBER 31, 2003 AND 2002

**Section I - Summary of Auditor's Results**

Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

Material weakness identified?        yes   x   no

Reportable condition identified that is  
not considered to be a material weakness?        yes   x   none reported

Noncompliance material to the financial statements  
noted?        yes   x   no

Federal Awards

Internal control over major program:

Material weakness identified?        yes   x   no

Reportable condition identified that is  
not considered to be a material weakness?   x   yes        none reported

Type of auditor's report issued on compliance for  
major program: Unqualified

Any audit findings disclosed that are required to be  
reported in accordance with Section .510(a) of OMB  
Circular A-133?   x   yes        no

Identification of major program:

|  |                                   |
|--|-----------------------------------|
| CFDA or<br>Other Identifying<br>Number | <u>Program Title</u>              |
| 20.205                                 | Highway Planning and Construction |

Dollar threshold used to distinguish between Type A  
and Type B programs:

\$300,000

Auditee qualified as a low-risk auditee?

\_\_\_\_\_ yes        x   no

## **Section II - Financial Statement Findings**

This section includes no audit findings that *Government Auditing Standards* requires to be reported for an audit of financial statements.

## **Section III - Federal Award Findings and Questioned Costs**

This section includes the audit finding that Section .510(a) of OMB Circular A-133 requires to be reported for an audit of federal awards.

|              |   |
|--------------|---|
| <b>03-01</b> | <b>Schedule of Expenditures of Federal Awards</b> |
|--------------|---|

|                       |   |
|-----------------------|---|
| Federal Grantor:      | U.S. Department of Transportation           |
| Pass-Through Grantor: | State Highway and Transportation Commission |
| Federal CFDA:         | 20.205                                      |
| Program Title:        | Highway Planning and Construction           |
| Pass-Through Entity   |   |
| Identifying Number:   | BRO-061 (16), (22), (23), (24)              |
| Award Year:           | 2003 and 2002                               |
| Questioned Costs:     | Not applicable                              |

Section .310(b) of Circular A-133, Audit of States, Local Governments, and Non-profit Organizations, requires the auditee to prepare a schedule of expenditures of federal awards (SEFA) for the period covered by the auditee's financial statements. The county is required to submit the SEFA to the State Auditor's Office as a part of the annual budget.

The county does not have procedures in place to adequately track federal awards for the preparation of the SEFA. For the years ended December 31, 2003 and 2002, the county's SEFA, which includes health center programs, contained numerous errors and omissions. Five grants were omitted for one or both of the years ended December 31, 2003 and 2002. Omitted expenditures totaled approximately \$42,000 and \$60,000 respectively. In addition, ten grants were misstated by a total of approximately \$135,000 and \$125,000 for the years ended December 31, 2003 and 2002 respectively.

Without an accurate SEFA, federal financial activity may not be audited and reported in accordance with federal audit requirements which could result in future reductions of federal awards.

**WE RECOMMEND** the County Commission, County Clerk, and Health Center Board of Trustees prepare complete and accurate schedules of expenditures of federal awards to submit to the State Auditor's Office as a part of the annual budgets. The County Commission should take steps to ensure other offices properly track and report federal awards, or consider assigning a county employee the duties of tracking all grants for the county.

**AUDITEE'S RESPONSE AND PLAN FOR CORRECTIVE ACTION**

*The County Commission and County Clerk indicated every effort will be made to prepare a complete and accurate SEFA. The Health Center Administrator and Board of Trustees agree with the recommendation and are implementing a spreadsheet to track the required information.*

Follow-Up on Prior Audit Findings for an  
Audit of Financial Statements Performed in Accordance  
With *Government Auditing Standards*

MACON COUNTY, MISSOURI  
FOLLOW-UP ON PRIOR AUDIT FINDINGS FOR AN  
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE  
WITH *GOVERNMENT AUDITING STANDARDS*

The prior audit report issued for the two years ended December 31, 2001, included no audit findings that *Government Auditing Standards* requires to be reported for an audit of financial statements.

Summary Schedule of Prior Audit Findings  
in Accordance With OMB Circular A-133

MACON COUNTY, MISSOURI  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
IN ACCORDANCE WITH OMB CIRCULAR A-133

Section .315 of OMB Circular A-133 requires the auditee to prepare a Summary Schedule of Prior Audit Findings to report the status of all findings that are relative to federal awards and included in the prior audit report's Schedule of Findings and Questioned Costs. The summary schedule also must include findings reported in the prior audit's Summary Schedule of Prior Audit Findings, except those listed as corrected, no longer valid, or not warranting further action.

Section .500(e) of OMB Circular A-133 requires the auditor to follow up on these prior audit findings; to perform procedures to assess the reasonableness of the Summary Schedule of Prior Audit Findings; and to report, as a current year finding, when the auditor concludes that the schedule materially misrepresents the status of any prior findings.

This section represents the Summary Schedule of Prior Audit Findings, which was prepared by the county's management.

00-1. Sub-Granting

Federal Grantor: U.S. Department of Commerce  
Pass-Through Grantor: None  
Federal CFDA Number: 11.300  
Program Title: Grants for Public Works and Economic Development  
Pass-Through Entity Identifying Number: Not Applicable  
Award Years: 2000, 2001  
Questioned Costs: \$ 466,800

The county sub-granted all of the funds received under the major program instead of expending the funds directly as required by the grant.

Recommendation:

The county expend all awards directly or, if the county passes monies through to another entity, the county should obtain proper authority to do so and obtain proper contracts with the sub-recipient and conduct the proper monitoring of the sub-recipient.

Status:

Implemented. Documentation was received from the U.S. Department of Commerce stating issues related to this program have been resolved. The not for profit (NFP) corporation involved in the project was an eligible co-recipient and should have been a co-recipient of the award. In response to the audit findings, the county took appropriate action to establish the NFP corporation as a co-recipient; thereby, ensuring proper documentation for the questioned contracts and payments. All questioned costs are allowed.

00-2. Understanding the Grant Requirements

Federal Grantor: U.S. Department of Commerce

Pass-Through Grantor: None

Federal CFDA Number: 11.300

Program Title: Grants for Public Works and Economic Development

Pass-Through Entity Identifying Number: Not Applicable

Award Years: 2000, 2001

Questioned Costs: None

County officials did not obtain an understanding of the requirements of the major programs to insure that full compliance with all grant provisions would be met. The contract the county entered into with a grant administrator did not cover all compliance provisions of federal awards.

Recommendation:

The County Commission obtain an understanding of the requirements of all grants received and administer them directly. Assistance in obtaining an understanding of grant requirements can be obtained from the federal agency making the grant or the state agency passing it through (if applicable).

Status:

Implemented. Documentation was received from the U.S. Department of Commerce stating that all audit issues related to this program have been resolved. Although the administration procedures may not have been followed to the letter, the federal agency concluded that the substance of the administration process was met.

00-3. Reliance On a Grant Administrator

Federal Grantor: U.S. Department of Commerce

Pass-Through Grantor: None

Federal CFDA Number: 11.300

Program Title: Grants for Public Works and Economic Development

Pass-Through Entity Identifying Number: Not Applicable

Award Years: 2000, 2001

Questioned Costs: \$ 9,000 (included in the amount in finding 00-1 above)

The county paid an agency to administer its grants without making certain the agency was covering all aspects of the grant administration including the proper payment of invoices according to grant requirements. The administrator knew the funds were being paid by the county to the Northeast Missouri Grain Processors, LLC and completed all reports to the Department of Commerce as if the funds were paid to contractors, engineers, and other



vendors directly. The county received copies of these reports for monitoring and did not ask for the reports to be completed accurately.

Recommendation:

The County Commission not allow incorrect reports to be prepared and subsequently filed with the federal government.

Status:

Implemented. Documentation was received from the U.S. Department of Commerce stating that all audit issues related to this program have been resolved. The federal agency concluded that both the county and the grant administrator took corrective action to properly document contracts and payments by establishing the NFP corporation as an eligible co-recipient of the award. All questioned costs are allowed.

00-4. Cost Allocation

Federal Grantor: U.S. Department of Commerce

Pass-Through Grantor: None

Federal CFDA Number: 11.300

Program Title: Grants for Public Works and Economic Development

Pass-Through Entity Identifying Number: Not Applicable

Award Years: 2000, 2001

Questioned Costs: \$ 5,444 (included in the amount in finding 00-1 above)

The county contracted the public works project in two portions. Part A was the grant's portion of the project and Part B was the non-grant portion of the project. The county allocated the costs between Part A and Part B based on a percentage of total costs instead of actual costs associated with the separate parts of the project. As a result, some Part B expenditures were charged to the grant.

Recommendation:

The County Commission process requests for reimbursement from the grantor based on the actual costs incurred based on the project instead of a percentage basis.

Status:

Implemented. Documentation was received from the U.S. Department of Commerce stating that all audit issues related to this program have been resolved. The federal agency concluded that the questioned costs were eligible. All questioned costs are allowed.

## MANAGEMENT ADVISORY REPORT SECTION

Management Advisory Report -  
State Auditor's Findings

MACON COUNTY, MISSOURI  
MANAGEMENT ADVISORY REPORT -  
STATE AUDITOR'S FINDINGS

We have audited the financial statements of various funds of Macon County, Missouri, as of and for the years ended December 31, 2003 and 2002, and have issued our report thereon dated March 25, 2004. We also have audited the compliance of Macon County, Missouri, with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to its major federal program for the years ended December 31, 2003 and 2002, and have issued our report thereon dated March 25, 2004.

Because the Macon County Samaritan Memorial Board of Trustees is audited and separately reported on by other independent auditors, the related fund is not presented in the financial statements. However, we reviewed those audit reports and other applicable information.

In addition, we have audited the operations of elected officials with funds other than those presented in the financial statements to comply with the State Auditor's responsibility under Section 29.230, RSMo 2000, to audit county officials at least once every 4 years. The objectives of this audit were to:

1. Review the internal controls over the transactions of the various county officials.
2. Review compliance with certain legal provisions.

Our methodology to accomplish these objectives included reviewing accounting and bank records and other pertinent documents; interviewing various personnel of the county officials, as well as certain external parties; and testing selected transactions.

In addition, we obtained an understanding of internal controls significant to the audit objectives and considered whether specific controls have been properly designed and placed in operation. However, providing an opinion on internal controls was not an objective of our audit and accordingly, we do not express such an opinion.

We also obtained an understanding of legal provisions significant to the audit objectives, and we assessed the risk that illegal acts, including fraud, and violations of contract, grant agreement, or other legal provisions could occur. Based on that risk assessment, we designed and performed procedures to provide reasonable assurance of detecting significant instances of noncompliance with the provisions. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion.

Our audit was conducted in accordance with applicable standards contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and included such procedures as we considered necessary in the circumstances.

This Management Advisory Report (MAR) presents any findings arising from our audit of the elected county officials and the county board referred to above. In addition, this report includes any findings other than those, if any, reported in the accompanying Schedule of Findings and Questioned Costs. These MAR findings resulted from our audit of the financial statements of Macon County or of its compliance with the types of compliance requirements applicable to its major federal program but do not meet the criteria for inclusion in the written reports on compliance and on internal control over financial reporting or compliance that are required for audits performed in accordance with *Government Auditing Standards* and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

|                               |
|-------------------------------|
| <b>1. County Expenditures</b> |
|-------------------------------|

A formal analysis of the factors involved when selecting which quarry to purchase rock from has not been conducted. In addition, the Presiding Commissioner is involved in a business which provides services to the county.

- A. The county has not conducted a formal analysis of the factors involved when selecting from which quarry to purchase rock. The county paid approximately \$140,000, \$52,000, and \$161,000 and \$85,000, \$59,000, and \$176,000, to three respective quarries during the years ended December 31, 2003 and December 31, 2002, respectively. The county solicited bids from the three quarries for various grades of rock, but the county hauls the rock. The County Commission indicated the determining factors in deciding which quarry to purchase from are the cost of rock and hauling, distance to the jobsite, and the quality of the rock. However, the county has not documented the cost per mile per ton for hauling and has not documented its analysis of these factors when determining which quarry to purchase from for specific projects or various locations.

A cost analysis would help ensure the county is purchasing from the lowest and best bidder for a specific location. Documentation should include the size, quality and cost of rock and, the number of miles and cost of hauling to a specific location.

- B. The Presiding Commissioner owns a local small engine repair business which provides services to the county. During the audit period, expenditures to this business totaled approximately \$1,200 annually. According to the Presiding Commissioner, he abstains from voting when his business is a party to the transaction; however, the minutes were not always clear as to who voted to approve the transaction.

Section 49.140, RSMo 2000, provides that, "no County Commissioner shall, directly or indirectly, become a party to any contract to which the county is a party...". These issues constitute a potential conflict of interest and may violate state law.

**WE RECOMMEND** the County Commission:

- A. Document the cost analysis for rock purchases.
- B. Consult legal counsel and determine whether this situation is in violation of state law.

**AUDITEE'S RESPONSE**

*The County Commission indicated:*

- A. *They agree with the recommendation. They have documented which quarries rock will be purchased from when working at various locations within the county. A cost analysis will be performed.*
- B. *An opinion has been requested from legal counsel. The purchases were for repairs and supplies which do not meet the bidding threshold. In addition, this business is the only source within the county for the items purchased. As a result, switching vendors may result in additional costs. The county did business with this vendor before the Presiding Commissioner was elected to office.*

|   |
|---|
| <b>2. Associate Commissioners' Salaries</b> |
|---|

The county has not adequately followed-up on the mid-term salary increases given to the Associate Commissioners in 1999. Section 50.333.13, RSMo, enacted in 1997, allowed the salary commissions meeting in 1997 to provide mid-term increases for associate county commissioners elected in 1996. The motivation behind this amendment was the fact that associate county commissioners' terms had been increased from two years to four years. Based upon this statute, in 1999 Macon County's Associate County Commissioners' salaries were each increased approximately \$7,580 yearly, according to information from the County Clerk.

On May 15, 2001, the Missouri Supreme Court handed down an opinion in a case that challenged the validity of that statute. The Supreme Court held that this section of the statute violated Article VII, Section 13 of the Missouri Constitution, which specifically prohibits an increase in compensation for state, county, and municipal officers during the term of office. This case, *Laclede County v. Douglass et al.*, holds that all raises given pursuant to this statute section are unconstitutional. On June 5, 2001, the State Auditor notified all third class counties of the Supreme Court decision and recommended that each county document its review of the impact of the opinion, as well as plans to seek repayment.

Based upon the Supreme Court decision, the raises given to each of the Associate County Commissioners for the two years ended December 31, 2000, should be repaid. In June 2001, the county sent each of the prior Associate Commissioners a letter requesting payment of \$16,320 for the salary overpayment plus social security benefits. However, the County

Commission indicated that they did not receive a response and no additional action has been taken.

**WE RECOMMEND** the County Commission pursue collection of the salary overpayments from the prior Associate Commissioners.

### **AUDITEE'S RESPONSE**

*The County Commission indicated they will discuss this situation with legal counsel and will send another letter to the prior Associate County Commissioners.*

|                                |
|--------------------------------|
| <b>3. Public Administrator</b> |
|--------------------------------|

Annual settlements are not filed in a timely manner. Nine of the fifty-nine settlements due in 2003 or 2002 had not been filed as of March 25, 2004. In addition, one settlement filed in January 2004 covered a three year period. According to the Public Administrator, many of the settlements are late because the attorneys have not completed the settlements.

Section 473.540, RSMo 2000, requires settlements to be filed annually. Timely settlements are necessary for the court to properly oversee the administration of cases and reduce the possibility that errors or misuse of funds will go undetected.

**WE RECOMMEND** the Associate Circuit Division Judge and the Public Administrator ensure settlements are filed in a timely manner.

### **AUDITEE'S RESPONSE**

*The Public Administrator indicated the primary reason for the delay is that he has trouble getting the attorneys to prepare the settlements in a timely manner.*

*The Associate Circuit Judge stated:*

*"I am acutely aware of the time problems with the Public Administrator. I have made several attempts to get him to do reports in a timely manner, through discussions. Much thought has gone into what can be done to force the issue as removal as fiduciary is not an option. Assessing contempt orders and fines is about the only available option. However, due to his tenure and the part time nature of his office, that has not been seen as a viable option either. I will meet with the newly elected Public Administrator and make his/her obligation to do things timely very clear, emphasizing the contempt issues. We will also see that the new Public Administrator, immediately upon being elected, starts to work with the current Public Administrator to make sure the latter is as caught up as possible."*

A "donation" is required when reducing charges filed on some traffic tickets. In addition, a bad check log is not maintained, receipts are not always deposited or transmitted timely, a number of checks have been outstanding for a significant amount of time, and a listing of court ordered restitution due was not maintained.

- A. The Prosecuting Attorney frequently reduces charges filed on traffic tickets by requiring the defendants to make a "donation" to the Macon County General Revenue Fund as a condition of reducing the charges. According to the county budgets, receipts from donations totaled \$23,320 and \$27,470 for the years ended December 31, 2003 and 2002, respectively.

There appears to be no authority for the Prosecuting Attorney to require a "donation" to reduce charges filed on traffic tickets. In addition, Article IX, Section 7 of the Missouri Constitution states that the proceeds of all penalties, forfeitures and fines are to be distributed to the county school fund.

- B. A bad check log is not maintained by the Prosecuting Attorney's office. To ensure all bad checks turned over to the Prosecuting Attorney are properly accounted for, a bad check log should be maintained listing each complaint and its disposition. The log should contain information such as the merchant's name, the issuer of the check, the amount of the bad check fee, and the disposition of the bad check, including the date restitution was received and disbursed to the vendor, the date and criminal case in which charges were filed, or other disposition.
- C. Receipts are not always deposited or transmitted timely. Depending on the circumstances, bad check fees are either deposited into the Prosecuting Attorney's bank account or transmitted to the County Treasurer. Donations involving traffic tickets are transmitted to the County Treasurer upon receipt; however, fine and costs are transmitted to the court on the court date. Our review noted the following concerns:
- 1) Traffic fines and costs for amended tickets are held by the Prosecuting Attorney until court day at which time they are transmitted to the court. A cash count performed on January 6, 2004, totaling \$1,514 included receipts from December 3, 2003.
  - 2) Bad check fees are generally transmitted to the treasurer once every week; however, a cash count performed on December 29, 2003, totaling \$1,102 included receipts from December 12, 2003. Of this amount approximately \$338 was to be deposited in the Prosecuting Attorney's bank account and \$764 was for transmittal to the County Treasurer.



To adequately safeguard receipts and reduce the risk of loss, theft, or misuse funds, checks and money orders should be deposited intact daily or when accumulated receipts exceed \$100.

- D. The Prosecuting Attorney had twenty-six outstanding checks totaling \$2,218 issued prior to October 2002. The checks that are outstanding for an extended amount of time need to be voided and rewritten. If the Prosecuting Attorney is unable to find the person to whom the check should go to, it should be turned over to the state as unclaimed property.
- E. The Prosecuting Attorney did not maintain a summary listing of court ordered restitution accounts receivable. Upon our request, a listing was prepared in February 2004 reflecting restitution due of approximately \$160,000. Approximately twenty-five percent of the amounts due included on the listing relates to cases filed prior to 2000.

A complete and accurate listing of accrued court ordered restitution would allow the Prosecuting Attorney to more easily review the amounts due and to take appropriate steps to ensure amounts owed are collected or to determine if amounts are uncollectible.

**WE RECOMMEND** the Prosecuting Attorney:

- A. Review the practice of requiring donations as part of reducing charges filed.
- B. Maintain a summary log to account for bad check complaints as well as the ultimate disposition.
- C. Deposit or transmit receipts daily or when accumulated receipts exceed \$100.
- D. Investigate checks that have been outstanding for an extended amount of time. If able to find the individual, the check should be voided and rewritten. If unable to find the individual, the monies should be turned over to the state as unclaimed property.
- E. Continue to maintain and update the listing of accrued court ordered restitution prepared in February 2004. Any uncollectible accrued court ordered restitution should be written off following review and approval by the Judge.

**AUDITEE'S RESPONSE**

*The Prosecuting Attorney stated:*

- A. *"I would disagree that there is a "requirement" that anyone donate to the County General Revenue Fund. However, with a donation does follow my consideration to amend a speeding*

*ticket. The authority of amending, dismissing, or filing a charge is well founded in the discretion of a prosecuting attorney, which I will not cite here. That said, I will not shy away from my practice of amending speeding tickets to defective equipment, which is based on a legitimate public concern that the laws of Missouri be equally applied throughout the state and that the punishment be equal to the crime. My policy permits a driver whose speed does not exceed the Fine Collection Center criteria who has paid a \$100 donation to the Macon County General Revenue Fund, in addition to the scheduled fine and court costs to be amended to a defective equipment ticket. This may be done no more than twice in a 12-month period.*

*Neither will I shy away from the ludicrous and much harped for and sanctimonious "school fund". What is often forgotten in the battle cry is that every dollar paid into the Macon County School Fund results in a dollar-for-dollar reduction from the State of Missouri. That means money to the Macon County School Fund is a zero sum gain for our county. That said, for the sanctimonious, the corresponding fine paid on the amended ticket remains the same for the speeding fine schedule, so that the precious state school fund coffers are not reduced one cent. That said, my policy results in a real income benefit for local needs in the contribution to the Macon County General Revenue. By not dismissing the ticket, as some prosecuting attorneys do, of which there could be no doubt of my authority, there is also significant revenue for the courts in the payment of court costs.*

*Before taking office of Macon County Prosecuting Attorney it was clearly impressed on me the difference between Macon County with not only surrounding counties but also more so with urban areas of our state on how traffic violations were enforced. There seemed to be a lower priority in the urban areas on enforcement and a willingness to amend traffic violations to "no point" status in other surrounding counties.*

*I considered various means to level the playing field for our more rural and relatively low crime area in dealing with traffic offenses. I am grateful to live in a community where a speeding ticket to many of my constituents seems to be a major crime. If traffic laws were uniformly enforced in all jurisdictions throughout the state of Missouri the current point system might be fair, but in practice it is not. That is where a prosecuting attorney's discretion comes into play. When first taking office, it seemed to me that Macon County law enforcement had the resources to strictly enforce traffic laws in such a way that the point status of drivers were in jeopardy or resulted in drivers being suspended here more than in other parts of our state. It is my modest opinion, that it is far better to have a licensed and insured driver on the road, than a suspended and uninsured driver on the road. In Macon County, we do not have access to viable public transportation for a suspended driver.*

*In addition, there appears to me to be a serious gouging by insurance companies on youthful drivers, and their parents who more often than not pay the bills, with a resulting speeding ticket conviction. This increase in costs, results in a "punishment" that may either cause cancellation, an uninsured driver, or overly burdensome insurance rates for a young driver, or their parents, which I account for in implementing my duties.*

*Before implementing my policy, I obtained a written opinion from the Attorney General's Office as to the legality and a verbal, if not written, opinion from the Office of Chief Disciplinary Counsel as to the ethical issues of such a policy. Attorneys from both agencies indicated there were no legal or ethical issues of which I should be concerned. My policy serves my constituents needs and interests. I am not as much interested in "ivory tower" considerations, as I am with the day-to-day reality of people's lives. From first implementing my policy, now going on six years, which as I recall resulted in a front page article in the local newspaper, discussions with many parents as to the desirability of my policy, and review of prior state audit reports, the present audit report is the first to suggest that my policy should be abandoned.*

*As to your recommendation: I have reviewed my policy and find it to be sound, legal, and ethical."*

- B. *"In reviewing the auditor's comment on having a "bad check log" with my clerk, she advised that there is such a log currently maintained within the bad check computer program. That said, the computer program presently is suffering a glitch, which prevents it from displaying the correlating dates of actions taken. I intend to work with the computer vendor to remedy this software problem. If the resulting log from the bad check computer program does not suffice, then I will see that a log is created. Either by hand or using spreadsheet software.*

*As to your recommendation: My office does maintain such a log, but it is experiencing some technical difficulty, which needs to be remedied."*

- C. *"1) As to payment of fines and costs to the court for amended speeding tickets, money received by my office that is to be paid to the court cannot be paid over to the court until the case is pled, otherwise the payment would be treated as an immediate guilty plea to say "speeding", which would not be the reason the defendant paid a donation and sent the fine and costs to my office in the first place. The appropriate time to transfer fines and costs would be on the law day the case is set to be heard by the court and not the day the fine and costs may be received by my office.*

*The dates cited in your report, January 6<sup>th</sup> and December 3<sup>rd</sup> would fall soon after two very busy holiday seasons, Thanksgiving, Christmas and New Years Day. I would anticipate that the fines and costs received after those holidays would be higher than normal for the remainder of the year. There is really nothing that can be done to remedy the auditor's concern. It is a valid concern, but, given my policy, without apparent remedy.*

*2) Frankly, given the sum of money collected by the Prosecuting Attorney's Office for bad checks and other sorts of restitution, the amount cited is not particularly a large sum in context. That said, I see no reason why daily deposits cannot be made of money collected by my office. I certainly will instruct my clerk to make daily deposits.*

*As to your recommendation: I agree that receipts should be deposited daily or when they exceed \$100."*

- D. *"Your suggestion has merit. Checks that are outstanding for an extended amount of time will be voided and either rewritten or if unable to find the person to whom the check is due then turned over to the Macon County Treasurer as unclaimed property for the County Treasurer's processing. This has occurred several times in my tenure, but not on at least an annual basis. In the future, I intend for this review to occur once at the end of each year. Given the size of my staff and the amount of money suggested by your report, that should be sufficient.*

*As to your recommendation: I agree that long outstanding checks should be investigated and be voided, rewritten, or processed as unclaimed property."*

- E. *"The collection of restitution is problematic for the Office of Prosecuting Attorney. Persons owed restitution should be paid. However, it is important to realize that the Office of Prosecuting Attorney does keep track of restitution ordered by the court, else no list could have been provided the auditor. The responsibility in Macon County for the collection of restitution has differed with different judges and even the demands of different court clerks. The Macon County Prosecuting Attorney's Office is coping with the collection of restitution as best is possible given restraints on my office. Since restitution is court ordered, collection of restitution is an aspect of court supervision. However, local court operations have placed the job of processing the collection on my office even though it is a function of the court. The enforcement of restitution payments remains with the court, not my office. My office pays out money received and advises the court when there appears to be a lack of payment of court ordered restitution.*

*What does surprise me, given the frequency that I request restitution from defendants, is that the outstanding restitution cited in your report of \$160,000 is so low. It must be remembered that collection is an on going process and rarely paid in one lump sum. Court ordered restitution is usually collected in monthly payments from probationers. It should be understood that the total outstanding restitution amount is not static, but as older cases are paid, newer cases are added to the total amount to be collected.*

*For persons on probation, the supervision of their restitution payments is with the defendant's probation officer. The cost in resources for my office to day-by-day monitor restitution, not to mention the wasteful duplicative monitoring that would result with state probation and parole, "private" probation officers, and the court clerks, would in my opinion exceed the amount of restitution presently outstanding and collectable.*

*Since restitution is court ordered, I do not feel it is my place to decide what amounts of restitution is uncollectible. Often times an inability of collection is a direct result of the process. For example when a defendant's sentence is executed-that is they are to serve their time-then their obligation to pay restitution terminates. That is the law of this state and not my policy or determined by my review. If a defendant completes their period of probation, and the defendant's probation and parole officer fails to timely advise my office before the end of the defendant's period of probation that not all restitution has been paid, then the obligation to pay restitution terminates.*

*If a defendant on probation is unable to pay restitution, then it is uncollectible just as a civil judgment would be uncollectible. The defendant's probation officer is the person best situated to determine a defendant's ability to pay, not my office. Because a payment is called restitution, does not mean it is any more collectable than a civil judgment. We do not have debtor prisons in Missouri. When a defendant does not have an ability to pay, I know of no authority to revoke an indigent's probation.*

*My office, within its organizational restrictions, does a very fine job of collecting and pressing for the payment of restitution for persons owed. There can be no dispute that some restitution ordered by the court-by law-is uncollectible or impossible to collect from an indigent defendant.*

*As to your recommendation: I agree that it would be helpful to the process of collection for my office to maintain a list of court ordered restitution to insure the collection of restitution due persons to be addressed with a defendant's respective probation officer to measure the progress of a defendant's payment of restitution owed."*

**5.**

#### **Health Center**

Expenditures were authorized in excess of budgeted amounts. Grant expenditures were not adequately monitored and board minutes were not always signed. Gift certificates were purchased for employees and there is no general fixed asset policy.

- A. The Board of Trustees approved expenditures in excess of budgeted amounts for the year ended December 31, 2003, of \$17,640. Actual health insurance expenditures exceeded budgeted expenditures by approximately \$14,000. In addition, approximately \$7,500 was expended for a grant which was not budgeted. The Administrator indicated she thought they had prepared an amended budget for internal use; however, an amended budget could not be located and there was no mention of an amended budget in the Health Center Board minutes.

It was ruled in State ex. rel. Strong v. Cribb, 364 Mo. 1122, 273 SW2d (1954), that strict compliance with the county budget law is required by county officials. If there are valid reasons which necessitate excess expenditures, amendments should be made following the same process by which the annual budget is approved, including holding public hearings and filing the amended budget with the State Auditor's Office prior to incurring the expenditures.

- B. The Health Center did not adequately monitor expenditures and track program costs of the Comprehensive Family Planning Program during the period March 2002 through December 2002. The Administrator indicated a new accounting clerk was hired in March 2002 who did not maintain the cost tracking records. As a result, the Health Center failed to comply with the contractual requirements of tracking costs.

- C. The board minutes are not signed. The board minutes should be prepared and signed by the Health Center Board Secretary, approved by the Health Center Board, and signed by the Health Center Board President to provide attestation that the minutes are a correct record of the matters discussed and actions taken during the board's meetings.
- D. The Health Center authorized a \$300 expenditure to a restaurant to purchase gift certificates as Christmas gifts to health center employees. This type of expenditure does not appear to be a prudent use of health center funds. The Health Center Board should ensure that funds are only spent on items which are necessary and beneficial to county residents.
- E. The Health Center does not have a policy defining procedures for recording and maintaining general fixed assets. In addition, the Health Center has not conducted a physical inventory since June of 2001. Adequate general fixed asset records and procedures are necessary to secure better internal control over property and provide a basis for determining proper insurance coverage. Inventories and proper tagging of property are necessary to ensure fixed asset records are accurate, identify any unrecorded additions and dispositions, detect theft of assets, and identify obsolete assets.

**WE RECOMMEND** the Health Center Board of Trustees:

- A. Refrain from incurring expenditures in excess of budget amounts. If the county receives additional funds which could not be anticipated when the budget was adopted the Board of Trustees should amend its budget according to state law and submit the budgets to the State Auditor's Office.
- B. Adequately monitor expenditures and track program costs of the Comprehensive Family Planning Program to comply with the program contract.
- C. Ensure board minutes are approved and signed.
- D. Ensure all expenditures are reasonable and necessary and a prudent use of public funds.
- E. Develop a fixed asset policy. An actual physical inventory of the various property items should be performed periodically and property records should be maintained that include all pertinent information for each asset, such as tag number, description, cost, acquisition date, location, and subsequent disposition, if applicable.

## **AUDITEE'S RESPONSE**

*The Health Center Board of Trustees indicated:*

- A. The budget would be amended when appropriate and amended budgets will be submitted to the State Auditor's Office. The budget is reviewed monthly at the Board meeting. Formal amendments will be made semi-annually (by August 30<sup>th</sup>) if necessary and submitted to the County Clerk and the State Auditor's Office.*
- B. A new tracking system was implemented for all grants in conjunction with the change to Quick Books.*
- C. The Board meeting minutes have always been approved at the next meeting; the recommendation to have minutes signed was implemented in January 2004.*
- D. Funds would be used appropriately, effective immediately.*
- E. A fixed asset policy is being reviewed and will be adopted by the September 2004 Board meeting. An annual physical inventory will be performed and fixed asset records will be updated.*

## Follow-Up on Prior Audit Findings



## MACON COUNTY, MISSOURI FOLLOW-UP ON PRIOR AUDIT FINDINGS

In accordance with Government Auditing Standards, this section reports the auditor's follow-up on action taken by Macon County, Missouri, on findings in the Management Advisory Report (MAR) of the audit report issued for the two years ended December 31, 1999. The prior recommendations which have not been implemented, but are considered significant, are repeated in the current MAR. Although the remaining unimplemented recommendation is not repeated, the county should consider implementing the recommendation.

### 1. Senate Bill 40 Board

- A. The Senate Bill 40 (SB 40) Board contracted with several not-for-profit (NFP) corporations to provide services to handicapped residents of Macon County. In addition, the SB 40 Board contracted for administrative services with one of these NFP corporations, which included monitoring other POS providers. There was little evidence the administrative agent or the SB 40 Board had reviewed the financial information and audit reports submitted by the NFPs. In addition, there was no evidence the SB 40 Board monitored the administrative or client services contract requirements of the NFP corporation which provided oversight.
- B. The SB 40 Board provided office space for the administrative services NFP corporation. Office space and related expenditures were not provided for in the contract with the NFP corporation. The percentage of office expenditures was not allocated between the NFP corporation and the SB 40 Board.
- C. The 1999 rental agreement was signed by the administrative services liaison (an employee of the NFP corporation) rather than a Senate Bill 40 Board member.

### Recommendation:

The Senate Bill 40 Board:

- A. Ensure that adequate documentation is received from all service providers and monitored for compliance with statutory and contract provisions.
- B. Determine whether incurring the cost of office space and related expenditures for the NFP corporation in addition to the monthly fee is a reasonable and prudent use of funds. If the SB 40 Board decides to continue this practice, the contract should be amended to specify the office expenditures each party is responsible for.
- C. Approve and sign all contracts.

Status:

Implemented.

2. Procurement Policies and Procedures

Bid documentation was not always retained for various equipment purchases made by the county.

Recommendation:

The County Commission solicit bids for all items in accordance with state law. Documentation of bids solicited and justification for bid awards should be maintained by the County Clerk. If bids cannot be obtained and sole source procurement is necessary, the County Commission minutes should reflect the circumstances.

Status:

Partially implemented. The county attempted to solicit bids on the applicable purchases reviewed. However, when a single bid was received and the county attempted to solicit additional bids, the circumstances were not always documented. Although not repeated in the current MAR, our recommendation remains as stated above.

3. Circuit Clerk

The Circuit Clerk's December 31, 1999, open items listing included approximately 390 entries totaling approximately \$118,000. Approximately \$49,000 of this balance was related to cases originating prior to 1997.

Recommendation:

The Circuit Clerk investigate the status of cases for which monies are being held in the fee account and distribute those monies for those accounts which appear unlikely to be collected in the future.

Status:

Implemented.

4. Restricted Use Funds

- A. Carpeting was purchased from the Law Library Fund and installed in the law library, jury room, and the Circuit Judge's office. The costs related to the jury room and the Circuit Judge's office did not appear to be a reasonable and prudent use of the Law Library Fund.

- B. An entity paid the Circuit Clerk/Ex Officio Recorder of Deed's office \$100 per month to perform record searches. From January through October 1998, a total of \$1,000 was received for these services and deposited into the Circuit Clerk Interest Fund. Beginning in November 1998, payments were made directly to employees of the Ex Officio Recorder of Deeds. Effective June 2000, the payment for the record search was made to the Ex Officio Recorders of Deeds' office and turned over to the General Revenue Fund.

Recommendation:

- A. The Circuit Judge ensure expenditures from the Law Library Fund are reasonable and prudent.
- B. The Circuit Clerk/Ex Officio Recorder of Deeds pay \$1,000 to the General Revenue Fund from the Circuit Clerk Interest Fund. In addition, the Circuit Clerk/Ex Officio Recorder of Deeds and County Commission should review this situation and determine whether any monies are due for the use of county resources.

Status:

Implemented.

## STATISTICAL SECTION

History, Organization, and  
Statistical Information

MACON COUNTY, MISSOURI  
HISTORY, ORGANIZATION,  
AND STATISTICAL INFORMATION

Organized in 1837, the county of Macon was named after Nathaniel Macon, a U.S. Congressman and Senator. Macon County is a county-organized, third-class county and is part of the Forty-First Judicial Circuit. The county seat is Macon.

Macon County's government is composed of a three-member county commission and separate elected officials performing various tasks. The county commission has mainly administrative duties in setting tax levies, appropriating county funds, appointing board members and trustees of special services, accounting for county property, maintaining approximately 900 miles of county roads and 216 county bridges, and performing miscellaneous duties not handled by other county officials. Principal functions of these other officials relate to judicial courts, law enforcement, property assessment, property tax collections, conduct of elections, and maintenance of financial and other records important to the county's citizens.

The county's population was 16,313 in 1980 and 15,762 in 2000. The following chart shows the county's change in assessed valuation since 1980:

|                        |    | Year Ended December 31, |       |       |       |              |
|------------------------|----|-------------------------|-------|-------|-------|--------------|
|                        |    | 2003                    | 2002  | 2001  | 2000  | 1985* 1980** |
|                        |    | (in millions)           |       |       |       |              |
| Real estate            | \$ | 83.0                    | 80.6  | 78.6  | 72.3  | 56.3 32.6    |
| Personal property      |    | 42.4                    | 40.4  | 40.0  | 38.4  | 14.8 10.7    |
| Railroad and utilities |    | 16.9                    | 18.7  | 18.7  | 18.7  | 18.3 10.2    |
| Total                  | \$ | 142.3                   | 139.7 | 137.3 | 129.4 | 89.4 53.5    |

\* First year of statewide reassessment.

\*\* Prior to 1985, separate assessments were made for merchants' and manufacturers' property. These amounts are included in real estate.

Macon County's property tax rates per \$100 of assessed valuations were as follows:

|                                |    | Year Ended December 31, |       |       |       |
|--------------------------------|----|-------------------------|-------|-------|-------|
|                                |    | 2003                    | 2002  | 2001  | 2000  |
| General Revenue Fund           | \$ | .2236                   | .2369 | .2100 | .2060 |
| Special Road and Bridge Fund * |    | .6739                   | .6700 | .6700 | .6700 |
| Health Center Fund             |    | .1500                   | .1500 | .1500 | .1500 |
| Senate Bill 40 Board Fund      |    | .1000                   | .1000 | .1000 | .1000 |
| County Park Fund               |    | N/A                     | N/A   | N/A   | .0300 |

\* The county retains all tax proceeds from areas not within road districts. The county has two road districts that receives four-fifths of the tax collections from property within these

districts, and the Special Road and Bridge Fund retains one-fifth. The road districts also have an additional levy approved by the voters.

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on September 1 and payable by December 31. Taxes paid after December 31 are subject to penalties. The county bills and collects property taxes for itself and most other local governments. Taxes collected were distributed as follows:

|                              |    | Year Ended February 28 (29), |           |           |           |
|------------------------------|----|------------------------------|-----------|-----------|-----------|
|                              |    | 2004                         | 2003      | 2002      | 2001      |
| State of Missouri            | \$ | 44,568                       | 42,554    | 42,049    | 39,406    |
| General Revenue Fund         |    | 338,099                      | 339,981   | 302,759   | 280,720   |
| Road funds                   |    | 860,220                      | 817,918   | 803,905   | 756,015   |
| Assessment Fund              |    | 89,976                       | 83,016    | 81,736    | 77,846    |
| Health Center Fund           |    | 216,386                      | 206,695   | 204,390   | 191,650   |
| Senate Bill 40 Board Fund    |    | 144,532                      | 138,080   | 136,539   | 128,022   |
| School districts             |    | 4,976,940                    | 4,688,275 | 4,599,647 | 4,301,933 |
| Ambulance district           |    | 216,923                      | 207,241   | 204,929   | 192,152   |
| Nursing home districts       |    | 219,422                      | 209,753   | 207,315   | 194,267   |
| Cities                       |    | 113,490                      | 109,288   | 106,307   | 100,764   |
| County Park Fund             |    | 225                          | 497       | 2,337     | 38,432    |
| Hospital Fund                |    | 289,166                      | 276,259   | 273,177   | 256,138   |
| Other                        |    | 12,324                       | 13,332    | 11,634    | 12,613    |
| County Employees' Retirement |    | 12,185                       | 10,765    | 9,943     | 6,405     |
| Commissions and fees:        |    |                              |           |           |           |
| General Revenue Fund         |    | 163,183                      | 148,176   | 145,242   | 135,476   |
| Total                        | \$ | 7,697,639                    | 7,291,830 | 7,131,909 | 6,711,839 |

Percentages of current taxes collected were as follows:

|                        | Year Ended February 28 (29), |       |       |       |   |
|------------------------|------------------------------|-------|-------|-------|---|
|                        | 2003                         | 2002  | 2001  | 2000  |   |
| Real estate            | 95.6                         | 94.8  | 95.2  | 95.3  | % |
| Personal property      | 92.5                         | 92.4  | 92.4  | 92.1  |   |
| Railroad and utilities | 100.0                        | 100.0 | 100.0 | 100.0 |   |

Macon County also has the following sales taxes; rates are per \$1 of retail sales:

|                                    | Rate       | Expiration Date | Required Property Tax Reduction | % |
|------------------------------------|------------|-----------------|---------------------------------|---|
| General                            | \$ 0.00500 | None            | 50                              |   |
| Road & bridge capital improvements | 0.00500    | 2006            | None                            |   |
| Enhanced 911                       | 0.00375    | None            | None                            |   |
| Park improvements                  | 0.00250    | 2005            | None                            |   |

The elected officials and their compensation paid for the year ended December 31 (except as noted) are indicated below.

| Officeholder  | 2004   | 2003   | 2002   | 2001   | 2000   |
|---|--------|--------|--------|--------|--------|
| County-Paid Officials:  | \$     |        |        |        |        |
| Craig Jones, Presiding Commissioner                                   |        | 28,400 | 28,400 | 27,080 | 27,080 |
| Drew Belt, Associate Commissioner                                     |        | 26,400 | 26,400 | 25,080 |        |
| Gail Smith, Associate Commissioner                                    |        |        |        |        | 25,080 |
| Ronnie Switzer, Associate Commissioner                                |        | 26,400 | 26,400 | 25,080 |        |
| Steven J. Fuller, Associate Commissioner                              |        |        |        |        | 25,080 |
| Pat Clarke, County Clerk  |        | 40,000 | 40,000 | 38,000 | 38,000 |
| R. Timothy Bickhaus, Prosecuting Attorney                             |        | 47,000 | 47,000 | 45,000 | 45,000 |
| Robert Dawson, Sheriff  |        | 44,000 | 44,000 | 42,000 | 38,000 |
| Carol Walker, County Treasurer  |        | 40,000 | 29,600 | 28,120 | 28,120 |
| Brian Hayes, County Coroner   |        | 12,000 | 12,000 | 11,000 |        |
| Shawn M. Armstrong, County Coroner                                    |        |        |        |        | 6,500  |
| John Richard Jones, Public Administrator (1)                          |        | 40,000 | 40,000 | 43,000 | 29,449 |
| Jeanette Ronchetto, County Collector,<br>year ended February 28 (29), | 40,000 | 40,000 | 38,333 | 38,000 |        |
| Sheila Long, County Assessor (2),<br>year ended August 31,            |        | 40,900 | 40,233 | 38,900 | 16,508 |
| Floyd R. Kilgore, County Assessor (3), year ended<br>August 31        |        |        |        |        | 22,392 |
| Edward A. Cleaver, County Surveyor (4)                                |        |        |        |        |        |

(1) Includes fees received from probate cases for 2000. Effective January 1, 2001, the Public Administrator elected to change from a fee basis to a salary basis. 2001 includes \$5,000 salary which pertains to 2000.

(2) Includes \$900 annual compensation received from the state for the year ended 2003, 2002, and 2001 and \$675 for the year ended 2000.

(3) Retired March 31, 2000. Includes \$225 received from the state.

(4) Compensation on a fee basis.

#### State-Paid Officials:

|   |        |        |        |        |
|---|--------|--------|--------|--------|
| Judy Roberts, Circuit Clerk and<br>Ex Officio Recorder of Deeds | 47,300 | 47,300 | 47,300 | 46,126 |
| Paul Parkinson, Associate Circuit Judge                         | 96,000 | 96,000 |        |        |
| Hadley E. Grimm, Associate Circuit Judge                        |        |        | 96,000 | 97,382 |